Date Filed: October 27, 2026

Witness: Christopher E. Colorio, Mark P. Baldwin, John G. Griffin and Leanne M. Landry
Request from: Office of Education, Outreach, and Enforcement

Question:

(MS24A-VENDOR-LINE) Refer to Response to EOE-188. The Company's response to EOE-188 (and other INT responses), subsection 'b' states "Contractually when contractor crews are directed to be on shift and ready to receive work, they are automatically on 'Work Time' rates, regardless of when they receive their first assignment." Cite the contract provisions that define this billing treatment. Additionally, please reconcile the Company's response to the ERSG-Contractor Obligations-Instructions provided at EOE-173, Att.1, p. 27, which states "3. Per the contract: b. All crews on standby until they receive the first ticket."

Response:

As an initial matter, Eversource does not conduct its storm response activities in a vacuum where it is the only electric utility ever utilizing contractor crews to perform emergency response work so that all of its processes and procedures can be unilaterally designed. The external contractors that the Company utilizes work on numerous other electric systems and there are industry norms and practices that come into play when channeling work to crews in the field. The Company's contracts track with those industry practices and norms, as is appropriate, because the Company will not be able to attract necessary crews if it requires field crews to adhere to practices that are unusual, unreasonable, impractical or do not exist anywhere else. Consequently, although the Company strives for constant improvement in terms of establishing clear and coherent guidelines for time tracking and billing – ultimately, industry practices will play a role in how interactions with external crews play out.

The Company's contracts reflect those market norms, whether the terms are generally established or expressly delineated. To that end, there is a common understanding that "work" rates apply when the crew has left the hotel (Rest Time) and is engaged with Eversource's restoration effort, as directed by Eversource.

Therefore, as a matter of operating norms and contractual terms, the contractor crews are functioning on working rates any time that: (1) the crews are under Eversource's direction and control; and (2) that direction has removed them from Rest Time and caused them to engage in the workspace. This work status would include, and not be limited to, the activities including: preparation to commence "wrench" work in the field; pausing and standing by at a location pending further direction by Eversource; moving to a designated location; performing restoration

on a ticket; or any other activity that engages the contractor under the direction and control of Eversource throughout a work shift.

Please note that the question refers to the Company's answer to EOE-188[i]. The contractor referenced in EOE-188 was a "Contractor of Choice" or "COC" contractor. Therefore, as discussed in response to EOE-389[ii], prior to 2025 when a new uniform storm contract was implemented, there was both an MSA and a Pricing Schedule. Both the MSA and the Pricing Schedule contained terms for storm work, although the MSA also governed blue-sky work.

Specifically, the contract provisions applicable to storm work at any given time were/are as follows:

- Exhibit A Pricing Schedule - 12/7/2021 - 5/31/2025 (ERP-only Contractor Agreements)
- Exhibit B Pricing Schedule - 6/1/2021 - 12/31/2025 (COC MSA – Covering blue sky and ERP). *Note:* Once the new standardized storm contract became effective in May 2025, this contract form was utilized only for blue-sky work).
- Exhibit C Pricing Schedule - 5/31/2025 -Present (New ERP-specific standardized contract form).

This question first asks the Company to "cite the contract provisions that define [the] billing treatment," described in response to EOE-188(b), wherein the Company stated as follows:

> Contractually when contractor crews are directed to be on shift and ready to receive work, they are automatically on 'Work Time' rates, regardless of when they receive their first assignment."

Contract Provisions Validating the Statement at EOE-188(b):

Under Article 1 of the MSA, entitled "Definition of Term; Interpretation," the following definitions apply:

⇒ "*Emergency*" means any emergency event expected by Owner or declared by Owner (whether or not such event is declared an emergency by any Governmental Authority), including stormy weather or other adverse weather conditions that are forecasted to occur or have occurred, that causes, or may cause, damage, interruption, impact or unplanned outages to all or a portion of Owner's utility system.

⇒ "*Emergency Response Program Work*" or "*ERP Work*" means ***Emergency-related Work*** to be provided by Contractor pursuant to each ***ERP Work Release***, as specified by Owner. ***Subject to the terms of Article 6, ERP Work is included within the definition of ""Work"***

⇒ *ERP Work Program Release*" or "*ERP Release*" means ***each release for ERP Work pursuant to an oral communication*** (i.e., by telephone or in person) or written (i.e., by email, fax or other documentation, in whatever form) issued and/or approved by Owner for ERP Work, in each case under the Order, and in the form and on such terms determined by Owner in good faith. Contractor's commencement of ERP Work awarded to it by Owner pursuant to each Release shall constitute Contractor's acceptance of all of the provisions of the applicable Release.

Article 6 of the MSA governs "Emergency Response Program Work." Section 6.3 of the MSA states that "Except as otherwise agreed to in writing by Owner, compensation for ERP Work shall be in accordance with the Agreement rates for ERP Work set forth in the Pricing Schedule in **Exhibit B**." (emphasis in original).

A copy of the "Exhibit B, Pricing Schedule" is provided in EOE-292, Attachment 1. Please note that the contract was also provided in OCC-044, Attachment 2, at page 21.

⇒ Section 3.3 ("Labor"), page 2, states that "***Labor charges shall commence*** at the designated time for departure from, or commencement of ***Work*** at, the show-up site (which may be the job site) for the ***applicable Work*****,**" provided the contractor is prepared to begin work (emphasis added).

⇒ Section 4.4 ("Emergency Response Work") defines the "applicable Work." Section 4.4(a) states that "Owner shall compensate Contractor for ***Emergency Response Work*** assigned to Contractor based on Contractor's applicable Emergency Response rates ***from the commencement of such Emergency Response Work at the Site through the termination of Emergency Response Work at the Site***, excluding rest time during that period."

⇒ Section 4.4(d)(ii) further states that "[d]uring Normal Working Hours, Owner may require Contractor ***to report to a show up location in anticipation of performing Emergency Response Work***. Travel to and from the show up location shall be compensated as provided for above. Contractor will be paid its standard labor and equipment rates for the period of time that labor and equipment is held at the show up location." Thus, Section 4.4(d)(ii) provides that the Company may direct contractor resources to report to a designated show-up location in anticipation of performing emergency response work and that labor and equipment held at that location are compensable at the applicable standard rates.

Reconciling Contractual Terms to the Statement in EOE-188

These interrelated contractual terms make it clear that, once Eversource has directed a crew to "report to a show up location in anticipation of performing Emergency Response Work," standard Working rates apply, including for travel to and from that location. Accordingly, contractually, when contractor crews are directed to be on shift and ready to receive work, they are automatically on "Work Time" rates, regardless of when they receive their first event assignment, as the Company explained in response to EOE-188.

Reconciling to EOE-173, Attachment 1, at 27.

Second, the question asks the Company to "reconcile" its response to EOE-188 to the ERSG-Contractor Obligations-Instructions provided at EOE-173, Attachment.1, p. 27, which state "3. Per the contract: b. All crews on standby until they receive the first ticket."

EOE-173, Attachment 1, is a copy of the hiring package that the Company formerly distributed to hired contractors during an ERP event.[1] These instructions have been in use for many years, evolving over time as new content was added. Although the specific terminology differs from the MSA and Exhibit B, in place over the time period 2021 to 2025 for Contractors of Choice (such as the contractor referenced in EOE-188), the practice is exactly as stated in response to EOE-188.

Meaning that the terminology "all crews on standby *until they receive the first ticket,*" is referencing that crews will be on standby until receiving the *first direction* or communication of an Emergency Work Release from Eversource to report to Work to be deployed to specific events (see, Article 1 of the MSA, referencing "oral communication" and Exhibit B, Section 3.3, referencing commencement of work at show-up site). In industry practice, the receipt of the "first ticket" or the "first direction" from Eversource is understood as the same thing – in either case, the crew is departing from their Rest Time "to report to a show up location in anticipation of performing Emergency Response Work," as stated in Exhibit B, Section 4.4(d)(ii) of the COC Pricing Schedule.

Standardized Contract Terms in Place During 2025

This industry practice was more precisely memorialized in the new standardized ERP contract that the Company implemented in May 2025. This pricing schedule is designated at "Exhibit C," utilizing the following provisions:

[1] As of July 1, 2026, the Company no longer uses this type of hiring package as the Company is implemented "Storm Manager," which is a more automated system. As a result, it is no longer necessary for the Company to distribute its hiring package.

"Emergency Preparedness" or **"EP"** is the organization within Owner responsible for management, communication and coordination efforts needed for system restoration during emergencies.

"Emergency Response Work" refers to Scope of Work ("SOW") attached as Exhibit D to the Cover Agreement.

"Emergency Response Labor Rates" are the agreed rates payable from the commencement of applicable Emergency Response Work through the termination of such Emergency Response Work, excluding rest and standby rate times during Emergency Response Work. Rates are all inclusive of wages, insurance, taxes, overhead, profit and shall be in effect for the term of this Agreement. Labor rates are detailed within the attached Schedule A.

"Emergency Response Work Release" (also known as **"Ticket"**) means each release for Emergency Response Work pursuant to an oral communication (i.e., by telephone or in person) or written (i.e., by email or other documentation, in whatever form) issued and/or approved by Owner for Emergency Response Work, in each case under the Purchase Order, and in the form and on such terms determined by Owner in good faith. Contractor's commencement of Emergency Response Work awarded to it by Owner pursuant to each Release shall constitute Contractor's acceptance of all of the provisions of the applicable Release.

"On Call - Standby Rates" (Home/Hotel) are paid at Standby Rate per hour for personnel; and 50% of Equipment Rates. Standby Rates are set forth in the attached Schedule A. Contractor shall be directed in the ERSG hiring email when standby hours are in effect. Standby Rates are only in effect when approved by ERSG.

"Working Time" are the hours worked in an ERP event where any Crews within the state of operation are being issued active Emergency Response Work Releases or transitioning to additional Emergency Response Work Releases and have not received Demobilization instructions and/or an ERSG Demobilization email.

Prior Referenced Responses

[i] EOE-188 Question:

(MS24A-VENDOR-LINE) Refer to Exhibit ACCT-2 CLP-1, Confidential Exhibit ACCT-2 CLP-1A-1, pp. 29-56. The Company reported an incremental charge of $177,073 for the Asplundh Construction Corp. Respond to the following:

a. Confirm that the difference between the reported recovery amount and the invoice amount is attributed to the "car vs. pole" activity referenced on p. 46. If not confirmed, explain the difference.
b. Referring to p. 42, explain why each of the individuals billed for 10 hours at a DT rate (i.e., compared to pp. 31-32) when the first work assignment was not started until 10:29 (i.e., approx. 4.5 hours after the employees' start time). Please explain why the vendor employees did not record activity as standby and bill at the lower

TH rate prior to the first assignment. As part of the response, please identify the total incremental charge for the referenced employees billing at DT rates for the 4.5 hours in lieu of the TH rates.

c. Referring to pp. 35-36, explain why the vendor billed for equipment during standby. As part of the response, identify the total incremental charge for the equipment billed during standby and separately identify the incremental equipment charge for the hours referenced in subsection b.

EOE-188 Response:

Please refer to Exhibit ACCT-2 CLP-1(MS24A), Outside Line Contractors, at Line 37, Asplundh Construction Corp, in the amount of $177,073.

a. The Company confirms that the difference between the reported recovery amount and the total invoice amount is attributable to the car-versus-pole activity referenced on page 46. Specifically, the variance of $6,405.66 represents costs associated with the "car vs pole" incident, which was separately identified and not included in the reported recovery amount.

b. The crews are in "working" status once they are on shift – from the beginning to the end of the shift. The Company does not compensate crews based on the specific restoration event to which they are assigned, nor are crews expected to be actively engaged in an "event" every minute of their shift. Time must be allocated at the start and end of each day, as well as between restoration "events," to complete all necessary steps to ensure safe working conditions in the field. For the Resource Management Teams identifying the jobs and deploying crews and the EFRC, the critical focus is to follow procedures, keep the crews safe, and keep them moving efficiently throughout the working shift. In this context, there is no bright line that separates one event from another and neatly segmenting the day from an "event" perspective – all activities whether in preparation of, or "on the pole," are proper work activities that are undertaken during the work shift and will not be specified on the timesheet. Additionally, crews are dispatched as damage is assessed.

   Contractually when contractor crews are directed to be on shift and ready to receive work, they are automatically on "Work Time" rates, regardless of when they receive their first assignment. As a result, the crews are appropriately billed "Work Time" for the referenced hours. The total incremental charge for the referenced employees resulting from billing 4.5 hours at DT rates in lieu of TH rates is $997.65

c. Asplundh is a COC contractor. Per the provisions in their contract equipment -- while on standby -- is permitted to be charged at 50%. The total incremental charge for the equipment billed during standby for pages 35-36 is $3,938.22. The total incremental charge for the equipment billed for the hours referenced in subsection (b) is $398.25.

[ii] EOE-389 Question:

(LINE CREW EMERGENCY RESPONSE AGREEMENTS) Refer to Response to EOE-174. The Company's response clarified that the "Master Service Agreements do not include the provision stated in the question of 'standby rates apply to labor resources only.' This standby language is included in the Line Crew Emergency Response agreements." Respond to the following:

a. Explain the difference between the Master Service Agreements and the Line Crew Emergency Response agreements.
b. Provide a copy of every template Line Crew Emergency Response agreement utilized by the Company since 2018, indicating the period of time each template was utilized. Identify all "template" changes made to the Line Crew Emergency Response agreement since 2018, along with the respective dates of the changes.

c. Provide a listing of all vendors subject to the Line Crew Emergency Response agreements and, if applicable, including the specific version of the template that they are subject to. As part of the response, cite the documents in the record.

EOE-389 Response:

a. Master Service Agreements ("MSAs") were established with the Company's Contractors of Choice, or "COCs," primarily to support planned, non-emergency construction and maintenance activities, commonly referred to as "blue-sky" work. These agreements also contain specific provisions governing the deployment and compensation of those ***same*** contractor resources when supporting storm restoration activities.

In contrast, the Line Crew Emergency Response agreements are intended for contractors providing line crew resources specifically for emergency restoration. These agreements contain dedicated pricing provisions addressing mobilization, demobilization, standby, working time, and equipment compensation.

Although both of these agreements address storm restoration work, the applicable compensation provisions differ based on the agreement under which the contractor is engaged. As clarified in EOE-174[ii], the language stating that "standby rates apply to labor resources only" was specific to the earlier Line Crew Emergency Response Pricing Schedule and was not included in the COC MSAs.

b. As discussed in response to EOE-390, the contract provisions applicable to storm work at any given time were/are as follows:

- Exhibit A Pricing Schedule - 12/7/2021 - 5/31/2025 (ERP-only Contractor Agreements)
- Exhibit B Pricing Schedule - 6/1/2021 - 12/31/2025 (COC MSA – Covering blue sky and ERP). *Note:* Once the new standardized storm contract became effective in May 2025, this contract form was utilized only for blue-sky work).
- Exhibit C Pricing Schedule - 5/31/2025 -Present (New ERP-specific standardized contract form).

The Company is providing the applicable Pricing Schedule templates associated with the Line Crew Emergency Response agreements as EOE-389, Attachment 1. Please also refer to EOE-384, Attachment 2 CONFIDENTIAL.

- EOE-389, Attachment 1 CONFIDENTIAL, is a template that contains the prior Pricing Schedule, identified as Exhibit A, Version 12.7.21, which was utilized prior to the implementation of the revised agreement in approximately May 2025.
- EOE-384, Attachment 2 CONFIDENTIAL, contains the revised Pricing Schedule, identified as Exhibit C, implemented generally beginning May 31, 2025. Please refer to EOE-384, Attachment 1, for precise dates for each contractor.

The revised Pricing Schedule provided in EOE-384, Attachment 2 CONFIDENTIAL, incorporates several clarifications and modifications to the compensation and administration of emergency response resources, including the following:

Standby Compensation: The earlier Pricing Schedule specified that standby rates applied to labor resources only and established a labor-based standby retainer. The revised Pricing Schedule provides for hourly standby

compensation for labor resources and equipment compensation at 50% of the applicable equipment rates during authorized standby periods.

Working Time: The revised Pricing Schedule establishes a more detailed definition of Working Time, including the applicable period of emergency restoration activities and the distinction between working, standby and travel classifications.

Mobilization and Demobilization: The revised Pricing Schedule establishes additional provisions governing the calculation and documentation of travel time, including the use of estimated travel durations, contractor deployment locations, and applicable border-crossing allowances.

Pre/post Mobilization and Demobilization: The revised Pricing Schedule expressly defines two-hour periods associated with activities such as safety briefings, meals and hotel assignments.

Resource Classifications and Support Equipment: The revised Pricing Schedule establishes additional definitions and billing parameters for qualified overhead crews, digger derricks, general foremen, safety professionals, and mechanics.

Administrative Controls: The revised Pricing Schedule incorporates additional requirements for ERSG hiring communications, authorization of standby periods, work releases, and resource documentation.

Lodging and Reimbursable Expenses: The revised Pricing Schedule specifies double-occupancy lodging requirements unless otherwise authorized in writing by the Company.

All of the revisions are designed to provide additional specificity regarding the application of compensation classifications, resource eligibility and administrative requirements during emergency restoration events.

c. Refer to EOE-384, Attachment 1, for a listing of current Emergency Response Agreements in which Exhibit C applies. Please refer to EOE-389, Attachment 2, for a listing of Line Crew Emergency Response agreements and the effective date of the pricing schedule that preceded the current contracts which are effective May 31, 2025 to present. Certain contractors appear more than once in the attachment because invoices included in this rate case are associated with multiple versions of their respective Pricing Schedules. Each version is applicable to the corresponding contractual period during which the invoiced services were performed. Accordingly, the duplicate entries are intentional and reflect the applicable contractual provisions for the respective time periods.

In certain instances, a contractor may have entered into a newer agreement while an existing purchase order continued to be governed by an earlier agreement or Pricing Schedule. In those instances, the terms applicable to a particular charge were determined by the agreement and Pricing Schedule supporting the purchase order under which the services were authorized and performed. Accordingly, the date of a contractor's newer agreement may not, by itself, determine the terms applicable to every charge incurred after that date.

Historically, the Company's COCs operated under MSAs containing storm-specific provisions, while external emergency response contractors operated under separate Line Crew Emergency Response agreements. The revised agreement, implemented generally beginning May 31, 2025, establishes a consistent contractual framework for both COCs and external overhead line contractors, eliminating the distinction between the two agreement types for emergency restoration work and providing greater clarity and consistency in the applicable terms and compensation provisions.

The prior and revised Emergency Response Pricing Schedule, Exhibit A, is provided as EOE-389, Attachment 1. The revised Pricing Schedule, Exhibit C, is provided in EOE-384, Attachment 2 CONFIDENTIAL, respectively. The applicable agreement version for each contractor is determined by its respective agreement effective date.