`Date Filed: October 16, 2026

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

Question:

(Storm Cost Recovery) In Exhibit CLP-STORM-1, page 82, the Company states: "[T]he proportion of direct internal labor costs has increased, while the proportion of external labor costs has decreased.", but in the same document, page 39, the Company also states: "[I]n most events, the Company now relies more heavily on external crews obtained through direct outreach to local, regional, and national contractors." Please explain the inconsistency. In your response, please provide, for the 2024-2025 Storm Events compared with the 2018-2023 Storm Events:

a. the percentage of total labor cost that was internal versus external in each period; and
b. within the external-crew category only, the percentage that was mutual aid versus independent contractors in each period.

Response:

a. These two statements address different analytical points, and both are correct. With respect to the statement that the "proportion of direct internal labor costs has increased, while the proportion of external labor costs has decreased," this refers to the breakdown of total storm costs into categories for the initial filing in this docket (Exhibit CLP-STORM-1, at 81), as compared to the breakdown of costs for the 2018-2023 Storms. As shown by the cost breakdowns for each grouping of storms, below, the percentage of total costs has increased for internal line crews and decreased for external line crews, as follows:

Storm Interval	Internal Crew Costs as a Percent of Total	External Crew Costs as a Percent of Total	Source
2018-2023 Storms #1	6%	66%	Docket No. 24-03-40, Exh. ES-ACCT-1, at 11
2018-2023 Storms #2	6%	72%	Docket No. 24-03-40, Exh. ES-ACCT-1 (Supp), at 11
2018-2023 Storms #3	7%	69%	Docket 24-03-40, Exh. ES-ACCT-1 (Supp 2), at 13
2024-2025 Storms	15%	58%	Exh. CLP-STORM-1, at 81

Note that, in each of the referenced exhibits, the cost breakdowns are showing the proportional share of the categories of costs incurred. This means that the proportion of costs associated with internal and external line crews will change simply if other proportions change. In other words, these are not the only two percentages that have changed between storm intervals. Still, the analysis indicates that – out of the total costs, the proportion of total cost attributable to external line crews is reduced and the proportion of internal line crew costs is increasing by a modest margin, consistent with the fact that the Company has more internal crews available to it in 2024-2025 than it did in the 2018-2023 interval. In addition to increased utilization of internal crews, other cost drivers are contributing to the reduction in the proportion of external crew costs – it is not a one-for-one trade-off of external to internal crews.

With respect to the statement that the Company now relies "more heavily on external crews obtained through direct outreach to local, regional, and national contractors," this refers to the Company's lesser use of dock crews on the system for execution of the Company's ***blue-sky*** capital plan work. Because the Company is routinely relying on internal crews for a greater proportion of the blue-sky capital work, the Company does not have ready, locked-in access to as great a complement of dock crews in the pre-staging phase of an ERP event, causing the Company to have to reach out to further distances at the time of a storm event (depending on the circumstances of the event).

b. Mutual Aid is a term that refers to support from *non-Eversource utility companies*. Please refer to Table 2, below, detailing the percentage of Mutual Aid versus Independent Contractors used in the two storm intervals. Over the most recent time interval, the Company utilized a greater percentage of independent contractors and lesser amount of utility-based Mutual Aid crews, due primarily to the nature of the events that the Company had to manage in 2024 and 2025. Mutual Aid crews do not typically become available to the Company until the later stages of an extended restoration because utility crews first serve their own systems and do not become available to the Company until the later stages of an extended event when work on their own system is complete. For the events that occurred in 2024-2025, the Company did not generally encounter circumstances where Mutual Aid could be of assistance.

Table 2

Period	Mutual Aid	Independent Contractors
2018-2023	4.08%	95.92%
2024-2025	0.35%	99.65%