Date Filed: October 09, 2026

Witness: Leanne M. Landry and Jeffrey D. Turano
Request from: Public Utilities Regulatory Authority

Question:

(PLANT ADDITIONS) Application, Ex. CLP-ADDITIONS-4. Provide an unlocked spreadsheet with the same level of detail as Exhibit CLP-ADDITIONS-4 but including only those plant additions that have not been reviewed and approved for prudency and not approved for inclusion in rate base by the Authority as part of the electric system improvements (ESI) charge.

Response:

Please refer to RSR-012, Attachment 1.

This exhibit excludes all projects and programs with additions in 2018-2020 that were reviewed for prudency as summarized in RSR-011[i].

PURA has not evaluated the prudence of the 2017 plant additions. Therefore, these 2017 plant additions are included in RSR-012, Attachment 1, hereto.

For projects and programs with plant additions in 2021 through 2025, those projects that were part of the $300M reviewed for prudency that had additional charges following the $300M cut-off have been included in RSR-011 since those projects were reviewed in totality as part of the annual prudence review. Please refer to RSR-011, Attachment 1, columns P and R for the total project or program additions in a given year compared to what portion of that addition was included in the $300M prudency review.

The projects and programs reflected in RSR-012, Attachment 1, are those projects that did not have any additions included in the $300M prudency review.

Prior Referenced Response:

[i] RSR-011 Question:

(PLANT ADDITIONS) Application, Ex. CLP-ADDITIONS-4. Provide an unlocked spreadsheet with the same level of detail as Exhibit CLP-ADDITIONS-4 but including only those plant additions that have been reviewed and approved for prudency and approved for inclusion in rate base by the Authority as part of the electric system improvements (ESI) charge. Include an additional column in the exhibit referencing which PURA decision authorized each addition for recovery following a prudence determination.

RSR-011 Response:

Please refer to RSR-011, Attachment 1, identifying the capital plant additions that have been reviewed and approved for prudence by PURA since the last rate case. As explained in greater detail below, the capital plant additions that PURA has already evaluated for prudence include: (a) all plant additions recovered in base rates and through the electric system improvements (ESI) charge for 2018, 2019 and 2020; and (b) $300 million of capital plant additions recovered through the ESI charge for 2021 through 2025.

By way of background, the January 11, 2018, Settlement Agreement approved in the Company's last rate case in Docket No. 17-10-46, as amended by Amendment One (collectively, the "Settlement") contained the following relevant provisions that explain which plant additions were recovered in base distribution rates and the ESI since the last rate case:

- **For the period 2017:**

The Settlement states that "[g]ross plant additions . . . of $400 million for calendar year 2017 shall be recovered in base distribution rates." (Settlement Agreement at Section 3(a)(i).) PURA has not evaluated the prudence of the 2017 plant additions. Therefore, these 2017 plant additions are not included in RSR-011, Attachment 1.

- **For the period 2018, 2019 and 2020**:
    - The first $270 million of core capital plant additions for 2018, 2019 and 2020 was authorized to be recovered in base distribution rates. (Settlement at Section 3(a)(ii)(1)(a).)
    - All "reliability" plant additions (which are a subset of core capital projects) for 2018, 2019 and 2020 were authorized to be recovered in the ESI rate. (Id.)
    - System resiliency plant additions for 2018, 2019 and 2020 were authorized to be recovered through the ESI rate. (Id., Section 3(a)(ii)(2).)
- **For the period 2021 through present**:
    - $300 million of core capital plant additions per year are recovered in the ESI. (Id., Section 3(a)(ii)(1)(b).)
    - Core capital plant additions in excess of $300 million per year are deferred for recovery to the next rate case. (Id.)
    - System resiliency plant additions for 2021 and thereafter are deferred for recovery to the next rate case. (Id., Section 3(a)(ii)(2)(b); see also Docket No. 17-10-46, Nov. 25, 2020, ruling on Motion No. 53.)

The following analysis identifies the portion of the above-described plant additions that have already been subjected to a prudence review by PURA.

In PURA's September 15, 2021 decision in the revenue adjustment mechanism ("RAM") proceeding in Docket No. 21-01-03 (the "2021 RAM Decision"), PURA stated that its prudence review in that docket encompassed all capital plant additions recovered in base distribution rates *and* in the ESI for the period 2018, 2019 and 2020. See Doc. 21-01-03 and 20-03-01RE01, Sept. 15, 2021, Decision at 26 (stating "[t]he Authority also noted that this prudency review [in 2021] would take place not just for plant additions that are recovered through ESI, but for all plant additions made and recovered by the Company in either base distribution rates or ESI.") In the RAM proceeding in Docket No. 21-01-03, PURA confirmed that its prudence analysis extended to both capital plant additions recovered in base rates and

the ESI for the period 2018, 2019 and 2020, when PURA concluded that $17.2 million of storm capital plant additions was improperly included in base rates in 2019 and 2020, and therefore, PURA ordered CL&P to reduce the ESI rate by the $17.2 million to achieve that functional result because PURA could not adjust base rates in a RAM proceeding. See id. at 30 (stating that "[b]ased on the provisions of the . . . Rate Case Decision Settlement Agreement, the Authority concludes that Eversource inappropriately included certain storm-related capital plant additions in base distribution rates.") As a result, the 2021 RAM decision evaluated the prudence of all capital plant additions for 2018, 2019 and 2020 in base rates and the ESI; and it concluded that only $17.2 million of storm capital plant additions should be removed from rates. As a result, RSR-011, Attachment 1, hereto reflects all capital plant additions recovered in base distribution rates and the ESI for the period 2018, 2019 and 2020 because they were subject to a prudence review in the 2021 RAM Decision, except for the $17.2 million of storm capital plant additions that were removed from rates and are pending a court remand in Docket No. 21-01-03RE01.

Thereafter, for the period 2021 through 2025, each annual RAM proceeding evaluated the prudence of $300 million of core capital plant additions that were recovered in the ESI. In the RAM proceedings in 2021 and 2022, the Company identified the first $300 million of core capital plant additions that went into service for each of those years; and those plant additions for 2021 and 2022 are provided in RSR-011, Attachments 2, and RSR-011, Attachment 3. Those plant additions were subject to a prudence review in the applicable RAM proceedings in Docket No. 22-01-03 (for 2021 plant additions) and Docket No. 23-01-03 (for 2022 plant additions). During this time period, PURA's RAM decisions in Docket Nos. 22-01-03 and 23-01-03 did not find any of these plant additions that were recovered through the ESI to be imprudent. RSR-011, Attachment 1, also contains all capital plant additions recovered in the ESI for the period 2021 and 2022 because they were subject to prudence reviews in Docket Nos. 22-01-03 and 23-01-03.

For the period 2023, 2024 and 2025, each final decision issued by PURA in its annual RAM proceeding in Docket Nos. 24-01-03, 25-01-03 and 26-01-03 contained an appendix to the final decision that identified the first $300 million of core capital plant additions recovered in the ESI rate and subject to a prudence review in the RAM docket. Copies of those appendices to PURA decisions are provided in RSR-011, Attachments 4, through RSR-011, Attachment 6. During this time period, PURA's RAM decisions in Docket Nos. 24-01-03, 25-01-03 and 26-01-03 did not find any of these plant additions that were recovered through the ESI to be imprudent. RSR-011, Attachment 1, also contains all capital plant additions recovered in the ESI for the period 2023, 2024 and 2025 because they were subject to prudence reviews by PURA.