Date Filed: October 02, 2026

Witness: Edward A. Davis and Kimberly R. Parsons
Request from: UCONN

Question:

(Affordability & Customer Engagement) Refer to Exhibit CLP-ELP-1 at pp. 25-26 which states that "transmission costs are shared across the region" and are "proportionally allocated" to Connecticut. Exhibit CLP-RATES-3 at pp. 186-187 describes the overall calculation of the total Transmission Adjustment Clause ("TAC").

a. Please explain the formula and methodology used to apportion the total costs of transmission across customer classes in the Connecticut service territory.
b. Please explain how this methodology is consistent with cost-causation and fairness principles.
c. For each of Rates 55, 56, 57, and 58, please provide (i) the percentage of total TAC revenue allocated to each rate class, and (ii) the total dollar amount of TAC revenue collected from each rate class, in each case for the most recent TAC reconciliation period.

Response:

a. Please refer to UCONN-024, Attachment 1, for the Transmission exhibits provided in the Company's most recent RAM filing, Docket No. 26-01-03.

    - Page 1 shows the determination of the average Transmission rate on line 31.
    - Page 2 shows the time-of-use breakout for applicable rate classes.
    - Page 3 shows a comparison versus the current and proposed Transmission rates by rate class.
    - Page 4 shows the Transmission Allocation. The Transmission Revenue Target (cell F13) is calculated by multiplying the average Transmission rate from page 1 by the Rate Year total sales. This Revenue Target is allocated to each rate class based on a 12 CP kW Demand Allocator (Columns C and D).

b. The Company uses a 12 coincident peak ("12 CP") allocation factor to assign transmission revenue requirements to rate schedules. This methodology is designed to reflect the methodology used in the development of the NEPOOL OATT revenue requirement and the resulting charges billed to the Company for transmission service under that tariff. From this perspective, the allocation is a "financial" nature, in that it is based only on the amount billed to the EDC's (noting, it is the amount billed first to the transmission service customer and then allocated to CL&P that is used for determining the corresponding class allocation.

Despite the diversity of customer loads that make up the monthly peak, or the load levels or utilization of the transmission system by individual customers throughout all other hours of a given month, where such demands may be greater than during the system peak, it is only the single monthly peak that is applied using this allocation method). Unlike with a resource-based distribution cost allocation, the billed transmission charge is what is being allocated. Under the current paradigm, the allocated charges and coincidence of demand for determining the share of load contributing to such charges provides a reasonable basis for allocation of costs. To the extent consideration is given to alternative approaches for class cost allocation, a review of underlying costs and consideration of utilization of the system that such charges represent might be of interest with regarding to equitable allocation, along with other rate design principals to evaluate.

c. Please refer to UCONN-024, Attachment 1, for the requested information.