Date Filed: November 06, 2026

Witness: Jessica B. Cain and Daniel M. Traynor
Request from: Public Utilities Regulatory Authority

Question:

Reference Ex. CLP-ELP-1, p. 112 and Ex. CLP-ELP-3, p. 1. Explain why Eversource proposes to report receivables over 60 days as a percentage of revenue without the following additional Accounts Receivable and Uncollectibles measures: (1) average residential monthly arrears; (2) residential customer accounts receivable; (3) actual write-offs for residential accounts; and (4) allowed uncollectible rate.

Response:

While there is no single metric that measures all aspects of arrears management health, the Company proposes using receivables greater than 60 days as a percentage of revenue as the best metric because it provides the timeliest overall arrears management health insight. This metric is the primary metric the Company uses internally. Incorporating revenue is important because it *helps* provide more consistent insight across seasonal fluctuations (i.e. higher usage and bills during peak winter heating and peak summer cooling months) and service protection periods (i.e. the six-month "winter protection" period) that impact customer payment behavior.

Meanwhile, the following Accounts Receivable and Uncollectible measures are also valuable, and are currently reported through existing regulatory mechanisms:

(1) average monthly residential arrears[1];

(2) residential customer accounts receivable[1];

(3) actual write-offs for residential accounts[1] and;

(4) the allowed uncollectible rate[2].

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[1] Please refer to Order No. 54 in Docket 21-07-01 (as modified by the April 23, 2025 Decision in Docket 25-05-01), which requires annual reporting on *"...a. Total number of residential accounts with receivables; b. Total amount of the residential account receivables; c. The number of residential accounts that were written off; and d. The amount of residential accounts that were written off.*" See e.g., Docket 26-05-01, Eversource Compliance filing available at: January 2026 Order No. 54 Compliance.

[2] This is reviewed as part of the Company's rate case proceedings and does not change until the time of its next base distribution rate case.