Date Filed: October 13, 2026

Witness: Brendan J. O'Brien and Garrett J. Murray
Request from: Office of Consumer Counsel

Question:

Materials and Supplies. Refer to Schedule B-4.0 and C-3.21.

a. Explain whether and how these amounts are related.
b. If they are related, explain how including the costs in rate base and expense is not a double recovery.

Response:

The materials and supplies amount included in Schedule C.3.21 represent materials and supplies expense incurred during the Test Year for O&M purposes. The materials and supplies amount included in Schedule B-4.0 represents the balance of materials and supplies inventory maintained by the Company and included as a component of rate base. To the extent materials and supplies are purchased and remain in inventory at the end of the Test Year, the inventory balance is not recovered through the O&M expense in Schedule C 3.21. Inclusion of the materials and supplies balance in rate base does not constitute double recovery as the amounts are completely separate and are associated with different stages of the materials use. The inclusion of materials and supplies in rate base provides recovery of the carrying cost associated with financing the inventory. Please reference CLP-REVREQ-1, pages 27-30 for further information on the costs included in Materials and Supplies.