Date Filed: October 21, 2026

Witness: Brendan J. O'Brien, Garrett J. Murray, Leanne M. Landry and Jeffrey D. Turano
Request from: Public Utilities Regulatory Authority

Question:

(OVERTIME PAYROLL) Application, Sch. G-2.13 and WP C-3.5; Interrog. Resps. OCC-051, Att. 1, and OCC-317, Att. 1. Regarding overtime and premium payroll and its division among expense, capital and storm work:

a. Reconcile the Test Year overtime of $68,671,910 on Schedule G-2.13 to the total overtime and premium payroll of $72,994,493 for 2025 in OCC-317, Attachment 1. Reconcile the non-storm overtime of $16,318,673 in OCC-051, Attachment 1, to the $16,347,000 used in Schedule WP C-3.5.
b. Provide an exhibit that bridges the 2025 overtime and premium payroll of $72,994,493 to each destination, beginning with the $51,236,768 charged to expense, the $18,225,128 charged to capital and the $3,532,597 charged to other in OCC-317, Attachment 1. Show separately operating and maintenance expense within the cost of service, minor storm work, catastrophic storm deferrals, the Rate Adjustment Mechanism, energy efficiency, capital, and affiliate charges. Provide the bridge for the Test Year, each of calendar years 2021 through 2024, and the six months ended June 30, 2026.
c. State the basis for carrying Test Year actual overtime into the Rate Year without normalization or a Rate Year overtime budget. Explain the variance between the budgeted operating and maintenance overtime for each of 2022 through 2025 in OCC-318, Attachment 1, and the actual non-storm overtime for the same year in OCC-051, Attachment 1.
d. Provide overtime hours and dollars for each organization shown on Sch. G-2.14, including Electric Field Operations and the Response Specialist Organization named in the response to OCC-049, with CL&P and EESCO employees shown separately, for each of calendar years 2021 through 2025, separately for hours compensated at 1.5 times and at 2.0 times straight time, reconciled to the double straight time amounts in OCC-049, Attachment 1.
e. Explain the increase in average overtime cost per hour on Schedule G-2.13 from $114.56 in 2024 to $123.84 in 2025. Separately quantify the impact of the change into wage rates, double-time and premium pay, classification mix, and any other driver.
f. State whether the limit of 126 full-time equivalents for the Response Specialist-Line classification in the collective bargaining agreement dated June 1, 2022, is retained in the agreement effective June 1, 2026. State the number of Response Specialist-Line employees and their overtime and premium pay for the Test Year and the Rate Year.

Response:

a. The entire difference between the overtime payroll on schedule G-2.13 and interrogatory OCC-317, is due to charges to CL&P from other affiliates. Schedule G-2.13 includes only CL&P internal payroll, while OCC-317[i], includes payroll charged from affiliates to CL&P in addition to CL&P internal payroll. The differences between the $16,318,673 reported for nonstorm OT in OCC-051[ii], and the $16,347,000 reported on schedule C-3.5 are a credit of $36,103 for the AS&E overhead and an addition of $64,849 for a true-up related to underground field operations.

b. Please refer to RRU-050, Attachment 1.

c. The basis for carrying Test Year actual overtime into the Rate Year without normalization or a Rate Year overtime budget estimating is the level of future overtime is not known and measurable. The Company's approach of using the Test Year actual overtime amounts is a reasonable metric for projecting future overtime included in the Rate Year.

   The variance between the budgeted operating and maintenance overtime for each of 2022 through 2025 in OCC-318, Attachment 1, and the actual non-storm overtime for the same year in OCC-051, Attachment 1, is below:

   - 2022: Over budget driven by higher overtime for the Response Specialist Organization for shift coverage resulting from vacancies during the year.

   - 2023: Over budget driven by higher overtime for the Response Specialist Organization for shift coverage due to mandatory annual training in June, vacations in August, zone safety in October, training in November, and vacations in December.

   - 2024: Over budget driven by higher overtime for the Response Specialist Organization for shift backfills, the impact of more direct-buried cable repair work, emergent work, and corrective maintenance.

   - 2025: Over budget driven by higher overtime for Response Specialist Organization and emergent work.

d. Please refer to RRU-050, Attachment 2. Consistent with Schedule G-2.14, these amounts represent only CL&P payroll and do not include any EESCO payroll allocated to CL&P.

e. The increase in average overtime cost per hour on Schedule G-2.13, comparing 2024 with 2025, is due to several factors. There was a 3% merit increase implemented to wages in

2025, in conjunction with lower overtime hours . Additionally, the ratio of double time hours in comparison to total overtime hours increased by approximately 2% in 2025.

f. The 126 full-time equivalents for the Response Specialist-Line classification were retained in the agreement effective June 1, 2026. The Company included $6,935,000 of overtime and premium pay in the Test Year and $7,126,000 in the Rate Year for the Response Specialist Line classification. There are 124 Response Specialist-Line employees included in both the Test Year and Rate Year.

Prior Referenced Responses:

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[i] OCC-317 Question:

Payroll. Please provide for each year: 2021, 2022, 2023, 2024, 2025, and the amount included in the Rate Year, the amount of base pay, overtime, incentive compensation and the amount of other pay broken down in the most detailed format available including the amount charged to capital, charged to expense and charged to other. If any of the other is ultimately expensed, provide the amount ultimately expensed in each year.

OCC-317 Response:

Please refer to Exhibit CLP-REVREQ-2, Schedule C-3.5, for the amount of base pay and overtime in the Rate Year. The Company does not calculate the capitalized payroll for the Rate Year as part of the cost of service.

For the amount of base pay and overtime and premium time charged to expense, capital, and other for years 2021, 2022, 2023, 2024, and 2025, please refer to OCC-317, Attachment 1.

Please refer to OCC-286, Attachment 1, for the amount of incentive compensation for 2021, 2022, 2023, 2024, 2025, and the Rate Year. Please note that no executive cash incentives and no stock incentives are capitalized.

[ii] OCC-051 Question:

(Payroll) Provide for each of the years 2022-2026: (i) the total overtime dollars, and; (ii) the amount of overtime dollars that would be charged to expense in base rates and would be comparable to the expense included in the Company's rate relief request.

OCC-051 Response:

Please see OCC-051, Attachment 1, for the total overtime dollars and the amount of non-storm overtime charged to O&M expense for the years 2022 through June 30, 2026, which is comparable to the overtime expense included in the Company's cost of service. Note the 2024 total overtime charged to expense increased as result of the Company reducing the use of external resources for outage responses during non-catastrophic storm events.

Please refer to OCC-043, and OCC-046, for the contractual terms pertaining to internal employees.