Connecticut Light and Power d/b/a Eversource Energy
Docket No. 17-10-46
Annual Plan Compliance with January 11, 2018 Settlement Agreement Section 3.a.ii.(2)
May 31, 2026
Exhibit B

Summary

The Connecticut Light and Power Company d/b/a Eversource Energy (the "Company" or "CL&P") made capital expenditures in 2025 totaling $551.0 million, which is $76.0 million (16.0%) more than the Company's plan for the 2025 Construction Program, previously submitted to the Connecticut Public Utilities Regulatory Authority ("PURA") on December 30, 2024. The Company's expenditures differed from the original estimate of expenditures for the construction program across a number of categories for reasons primarily related to routine circumstances experienced in field implementation. Explanations of the variances are presented below for instances where expenditures varied by more than 10% from the Company's original construction estimate.

Variance Analysis by Category:

(a) New Customer – Expenditures in this category were higher than estimated primarily due to a significant increase in customer driven work as a result of customer requests. The volume and scale of new customer work can vary from year to year.

(b) Capital Tool Purchases/Other – Expenditures in this category were lower than estimated due primarily to less tool and equipment purchases which can vary from year to year.

(c) Capitalized Vehicles – Expenditures in this category were higher than estimated due primarily to timing as more vehicle deliveries occurred in 2025 after supply chain issues impacted vehicle purchases in recent years.

(d) Emergent Equipment Failures - Expenditures in this category were higher than estimated due to the fact that actual circumstances exceeded historical trends used for the estimate. The largest increase in emergent work in 2025 resulted from an increase in customer outage events on the overhead, underground and network system caused by factors other than Major Storm events. Examples include vegetation-initiated overhead events; pole and line damages and associated events due to motor vehicle accidents; unplanned asset failures; residential direct-buried cable failures; underground cable or switchgear events; and network events. Many of these events are the result of weather patterns that occur on the system, but do not rise to the level of a Major Storm. For example, the Company is experiencing more numerous events during the year caused by frequent wind events during blue sky or grey sky days that do not rise to the level of a storm event but cause damage to the system, nevertheless.

(e) Environmental – Expenditures in this category were higher than estimated due to the timing of Substation Oil Circuit Breaker (OCB) replacements. Fewer replacements than estimated were completed during 2020 through 2023 due to material and outage availability, resulting in additional replacements occurring in 2024 and 2025.

(f) Facilities – Expenditures in this category were higher than estimated driven by two unbudgeted projects. The first project replaced two air handler units (AHUs) and thirty-five variable air volume boxes along with each of the AHU's main duct lines at the 20 Barnabas Road Newtown CT facility. The HVAC equipment was over thirty years old and deemed a health risk by a licensed industrial hygienist due to the presence of mold found in the AHUs and main duct lines. The second project renovated the 140 Old County Circle Windsor Locks CT facility to accommodate the growing storage needs for Material Logistics.

(g) Information Technology – Expenditures in this category were higher than estimated driven by two projects. The first project updated the credit and collection system (CACS) which was on an aging platform out of vendor support. The upgraded version provides several beneficial features making the process of managing accounts in Credit and Collections easier and provides new functionality that will improve customer communication. This will ensure IT security and architecture compliance, a stable and supported platform, and enhanced business capabilities such as intuitive workflows, customer communication, real-time processing, and single sign-on. The second project, the CT Interconnection Automation project, supports compliance obligations to standardize risk-based assessment for distribution planning, scenarios and projected grid conditions across three states and build a consistent customer experience in CT. This tool will also enable the company to meet expected regulatory requirements in Connecticut related to system planning and support for the interconnection process.

(h) Lighting – Expenditures in this category were lower than estimated primarily due to lower roadway lighting requirements compared to historical trends.

(i) Meters – Expenditures in this category were lower than estimated due to less meter purchases than planned based upon inventory strategy.

(j) Pre-Cap Line Transformers – Expenditures in this category were higher than estimated due to a significant increase in the cost of transformers in 2025.

(k) Regulatory Commitments-Other – Expenditures in this category, specifically worst performing circuits, were lower than estimated due primarily to the Company's decision to defer non-emergent work to future years with a focus on higher priority work.

(l) Distribution Line Reliability – Expenditures in this category were lower than estimated due primarily to the Company's decision to defer non-emergent work to future years with a focus on higher priority work.

(m) Network Reliability – Expenditures in this category, specifically underground structure issues, were higher than estimated due primarily to a duct bank replacement on West Main Street in Waterbury, CT and a new duct bank installation on Greenwich Avenue in Greenwich, CT, in addition to an increase in underground structural replacements in 2025.

(n) Pole Integrity – Expenditures in this category were higher than estimated because of an increase in poles identified for replacement during the inspection process as well as an increase in costs to replace poles.

(o) Right of Way Lines – Expenditures in this category were lower than estimated due primarily to the Company's decision to defer work to future years.

(p) SR Double Poles Removals – Expenditures in this category were lower than estimated due to fewer than anticipated pole removals.