Date Filed: November 13, 2026

Witness: Lavelle A. Freeman, Gerhard Walker, and Juan F. Martinez
Request from: Public Utilities Regulatory Authority

Question:

(Targeted System Performance Plan) Application, Ex. CLP-TSP-3, pp. 101–106; Compliance, May 8, 2026, Docket No. 26-08-08, Non-Wires Solutions Process Cycle 2, App. 1 (NWS BCA Tool). Regarding the Company's proposed non-wires alternatives battery storage projects:

a. Explain whether these projects were filed in the non-wires solutions process (i.e., either Docket No. 25-08-08, Non-Wires Solutions Process Cycle 1 or Docket No. 26-08-08 Non-Wires Solutions Process Cycle 2). If not, explain why they were excluded.

b. Provide an unlocked Excel worksheet, with formulas intact, containing the benefit-cost analysis for the Campville 14R and Frybrook 13B NWS projects using the NWS BCA Tool. Use reasonable assumptions (such as industry literature or the Company's previous battery storage vendor quotes) for any inputs which would require "a detailed engineering study" or vendor bid to populate.

c. Provide a narrative description of how the Company calculated the deferral values for these projects including the assumed discount rate.

d. Separately for each project, provide the net-present value (NPV) of the cost of the NWS solution and the NPV of the cost of the deferred traditional solution using reasonable timeline assumptions based on how the Company is proposing to implement these projects.

e. Separately, for each project, explain whether the NPV of the cost of the NWS solution plus the NPV of the avoided cost of the deferred traditional solution is less than the NPV of the cost of the traditional solution alone.

Response:

a. The project proposals detailed in Exhibit CLP-TSP-3, pages 101-106, were originally proposed in Docket No. 22-06-05, which was a docket pertaining to PURA's implementation of Public Act 22-55, as energy storage pilot projects. Those proposals were evaluated pursuant to the requirements applicable to that proceeding, not pursuant to the current Non-Wires Solutions ("NWS") Process framework.

The Company is proposing to obtain funding to further develop and evaluate the Campville 14R and Frybrook 13B projects because planning assessments have identified system needs in those areas that warrant advancement of potential solutions. Preliminary planning and engineering assessments indicate that energy storage and other NWS approaches warrant further evaluation as potential alternatives to traditional infrastructure investments.

However, the projects have not yet advanced to the stage where the projects can be identified and evaluated as specific NWS opportunities under the current NWS Process. Accordingly, the projects have not been submitted as identified grid needs within either Non-Wires Solutions Process Cycle 1 (Docket No. 25-08-08) or Non-Wires Solutions Process Cycle 2 (Docket No. 26-08-08).

b.-e. The Campville 14R and Frybrook 13B projects originated as energy storage pilot proposals developed in connection with Docket No. 22-06-05. Although analyses were developed in that proceeding responsive to the requirements and objectives applicable at that time, those analyses were not performed pursuant to the current Non-Wires Solutions ("NWS") Process framework and were not developed using the NWS Benefit-Cost Analysis ("BCA") Tool.

In this case, the Company is proposing funding for these projects because planning assessments have identified system needs in these areas that warrant advancement of potential solutions for further evaluation. Preliminary planning and engineering assessments indicate that energy storage and other NWS approaches warrant further evaluation as potential alternatives to traditional infrastructure investments. Consistent with the Company's current planning practices, project-specific NWS benefit-cost analyses are performed as part of the evaluation of identified grid needs for which Non-Wires Solutions may represent a viable alternative to a traditional solution and as projects advance through the applicable stages of engineering review and NWS evaluation.

As discussed in response to subpart (a), the Campville 14R and Fryebrook 13B projects have not yet advanced to the stage of the current NWS Process at which project-specific engineering assessments, NWS BCA Tool evaluations, deferral value calculations, and economic analyses are performed. Accordingly, the analyses requested in subparts (b) through (e) have not been performed under the current NWS Process framework.

Should either of these projects advance within the NWS Process to the stage at which a Non-Wires Solution warrants evaluation as a potential alternative to a traditional solution, the Company would perform the analyses required under the applicable NWS framework at that time.