Audit Plan

Docket No. 26-05-10, Application of the Connecticut Light and Power d/b/a Eversource Energy to Amend its Rate Schedules

Please have the following records available for the October 13, 2026 audit.

1. Provide Excel worksheet(s) with monthly trial balances for all FERC accounts for calendar years ending December 31, 2020 through 2025, and 2026 to date. Include a column for the yearly total for each account.
2. Monthly/Quarterly managerial reports for the Test Year and pro-forma period to the last quarter analyzed, providing results of actual operations and comparison to budget for both CL&P and Eversource Energy Service Company (EESCO).
3. Board of directors' minutes of the parent, EESCO, and CL&P for meetings held in 2025 and 2026 to date.
4. Copies of insurance policies for coverage during the Test Year and currently in effect.
5. All internal audit reports of CL&P and EESCO that are issued in 2025 and 2026 to date.
6. Copy of each adjusting entry proposed by CL&P's independent auditors in their two most recent audits of CL&P. Include supporting documentation and the actual reports to management, and the audit reports of CL&P for the years 2024 and 2025.
7. Copies of results of audits of the CL&P, its parent company, and EESCO done by any tax authority and regulatory agency since 2019.
8. All materials that are relied on by the Board of Directors or other appropriate committees in setting or approving executive compensation levels and types, including a detailed description of the process of review undertaken by the board or committee, for the test year and pro-forma period. Provide the relevant information for the CL&P Board of Directors as well as the parent Board of Directors.
9. Copies of the Test Year and pro-forma period incentive compensation plans for non-executive employees of the parent separately from CL&P.
10. Copies of all expense reports or similar documents (indicating potential perquisites) that exceed $1,000 submitted by CL&P officers during the Test Year and to date for reimbursement of business or personal expenses. These should be separately identified as CL&P officers' expenses or parent company officers' expenses. Identify the portion of the parent company officers' expenses that are included in the CL&P Test Year schedules.
11. Large service contracts/agreements (over $100,000) with external companies in effect during the Test Year and pro-forma period projected to be in effect for the Rate Year. This should include parent company contracts/agreements for which more than $100,000 is charged to CL&P.
12. Test Year cost allocation workpapers for all inter-affiliate cost allocations for services provided to and by CL&P.

13. Test Year O&M expenses reconciled to C-2.0 row 22 broken down by account (or preferably SFR schedules) and then by direct CL&P charges, direct charges from EESCO, allocated charges from EESCO, and other categories as appropriate.
14. Agreements with each affiliate that provides related services and all other documents supporting cost assignment/allocation methods, billing and payment terms.
15. Summary of monthly Accounts Receivable Aging Reports dated December 31, 2024 through December 31, 2025, and to date, indicating aging by customer class (including hardship and non-hardship accounts stated separately).
16. Select a reasonable sample of large vendor invoices in non-compensation related O&M accounts for July 2025 and December 2025 that support the CL&P's proposed inflation factors.
17. An overview of the corporate structure that includes a description of each of the charges that are billed to CL&P from EESCO, and the basis for those billings including how any overhead loadings are applied on direct charges, and a description and details of charges that are allocated to CL&P.
18. Copies of all documents supporting the actual property taxes assessed and paid for calendar years 2024 through 2026 to date, including assessments and grand list reports for each town/municipality in CL&P's service area. Also, provide copies of the most current property declarations for each town/municipality.
19. An exhibit that summarizes the quarterly payroll expenses of CL&P and EESCO (also, quantify portions of EESCO's total quarterly payroll expenses allocated to CL&P) for calendar years 2024, 2025, and 2026 to date.
20. Copies of state and Federal quarterly wage reports and withholding tax returns filed by CL&P and EESCO in 2024, 2025, and 2026 to date. Include an exhibit that provides detailed reconciliations of the quarterly wages reported in the withholding tax returns to the quarterly payroll expenses of CL&P and EESCO specified in Item 19 above. Include explanations for any related adjustments.
21. An exhibit that summarizes the quarterly payroll tax expenses of CL&P and EESCO (also, quantify portions of EESCO's total quarterly payroll tax expenses allocated to CL&P) for calendar years 2024, 2025, and 2026 to date. Include detailed reconciliations of these quarterly payroll tax expenses to the quarterly wage withholding taxes expenses for CL&P and EESCO that are reported in the state and Federal quarterly wage reports and withholding tax returns in Item 20 above. Include explanations for any related adjustments.
22. Copies of unredacted Federal income tax returns (Form 1120) along with all supporting schedules for 2023 through 2025. Include all schedules and forms supporting any net operating losses and investment tax credits claimed or carried forward.
23. Copies of unredacted Connecticut business income tax returns (CT-1120, CT-1120 CU, or CT-1120 CR) along with all supporting schedules for 2023 through 2025, including Form CT-1120K, Form CT-1120 FCIC, Form CT-1120 EDPC, and other forms or schedules supporting tax credits claimed.

24. A written description of the process and levels of approval required to refill a vacancy and to establish a new position, together with the documentation evidencing authorization in each case, for the Test Year and pro-forma period.
25. The work order master list that shows, for each active work order during the Test Year, its description, its default capital or expense designation, its FERC account mapping, and the organization responsible for it.
26. Invoices, remittance advices, journal entries and other source documents that support the EESCO charges allocated to CL&P for September 2025 and for April 2026.
27. A listing generated from the Company's human resources system showing, as of December 31, 2024, and December 31, 2025, each active position at CL&P and EESCO with the position's department, position title, company code and reporting line. If organizational charts of each department for these dates were produced or retained, provide them as well.
28. The final reports of the 2022–2025 Management Audit(s), together with each recommendation directed to CL&P or EESCO, the Company's response to each, the implementation status of each as of the date of the audit, and the internal documents by which the Company tracks that status. Also provide the Company's responses to the management auditor's information requests bearing on compensation, staffing, shared services and cost allocation.