Date Filed: November 12, 2026

Witness: Brendan J. O'Brien and Garrett J. Murray
Request from: Public Utilities Regulatory Authority

Question:

(OFFICER COMPENSATION REMOVAL) O'Brien and Murray Pre-Filed Test., pp. 74 and 78; Lazor, Eichler and O'Connor Pre-Filed Test., p. 45; Application, Schs. WP C-3.5 and WP C-3.7; Interrog. Resp. CIEC-015, Att. 1; Interrog. Resp. UPA-003, Interrog. Resp. UPA-014, Att. 1, and Interrog. Resp. UPA-016. Regarding the removal of the compensation of the Eversource Energy Chief Executive Officer, Chief Financial Officer and CL&P President from the cost of service:

a. Identify, for each of the Chief Executive Officer, Chief Financial Officer and CL&P President, the schedule, line and amount of the pro forma reduction of base compensation described at page 74 of the Revenue Requirements Panel testimony, including any part within the lines captioned "Less: Administered Salaries & Expense" of $237,000 and $2,796,000 on Schedule WP C-3.5 or within the base salaries of $176,313,000 for CL&P and $84,078,000 for the Eversource Energy Service Company (EESCO) portion. If no reduction was applied, state the base salary for each of the three officers charged to CL&P in the Test Year and included in the Rate Year, identify the schedule and line on which each appears, and provide a corrected Schedule WP C-3.5 as necessary.

b. Reconcile testimony that the adjustment removes the long-term incentive expense of all executives and officers of EESCO supporting CL&P, with the Compensation and Benefits Panel testimony that CL&P did not include the named executive long-term incentives to the long-term incentive expense of $1,364,250 retained in the Test Year pro forma, of which $1,270,537 is EESCO, and $1,469,043 in the Rate Year. State the Rate Year revenue requirement effect of removing all of the retained long-term incentive expense.

c. For each of the Chief Executive Officer, the Chief Financial Officer and the CL&P President, state the amount charged or allocated to CL&P in each of calendar years 2021 through 2025, and the amount included in the Rate Year, for: (i) employee benefits, including pension, supplemental executive retirement, non-qualified pension, and deferred compensation; (ii) payroll taxes; (iii) Payroll Benefits Loader and General Service Company Overhead loadings; and (iv) the items reported in the "All Other Compensation" column in the table on page 68 of Attachment 1 of the response to Interrogatory CIEC-015. Identify the schedule and line on which each Rate Year amount appears.

d. Identify which of the benefits, payroll taxes, and loadings in subpart c the Company treats as within the "base and variable pay compensation of the new CL&P President" for which Section 1.4.12 of the amended settlement agreement approved by the Authority in the October 27, 2021

Interim Decision in Docket Nos. 17-10-46RE03, Application of The Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules – Interim Rate Decrease, Low-Income Rates, and Economic Development Rates, and 17-12-03RE11, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review, provides that CL&P will not seek recovery in the next general distribution rate proceeding, and, for each it treats as outside of this assertion. State the basis and the amount for the CL&P President that the Company included in the Rate Year.

Response:

a. The base salaries for the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and CL&P President ("President") were excluded from the proposed revenue requirement. Therefore, no amount of the base salaries associated with these three positions are incorporated anywhere within Schedule C-3.5. Please refer to ESC 2025 tab in the excel file, or page 137 in the pdf of OCC-202, Attachment 1, showing no base salaries allocated to CL&P for the CEO (Employee No 2448), CFO (Employee No 2444), and CL&P President (Employee No 2442). The 2025 total base salary allocated to CL&P aligns with total ESC base salaries in WP C-3.5, at page 1, line 43, column (B).

b. The Company is proposing to include the CL&P portion of executive long-term incentive compensation for executives, excluding the "named" executive officers and CL&P President. Excluding the named executive officers and the CL&P President's long-term incentive compensation results in a reduction to expense of ($2.587) million. The resulting total long-term incentive compensation proposed by the Company to be included in the cost of service in this proceeding is $1.469 million, as provided in UPA-014, Attachment 1.

c. In order to be responsive to this request, the Company utilized the actual allocation percentages applicable in the 2025 Test Year to estimate the amount of expense allocated to CL&P for each year 2021 through 2024 for the CEO, CFO and CL&P President.

   In accordance with Section 1.4.12 of the 2021 Storm Settlement approved by PURA on October 27, 2021, in Docket No. 17-10-46RE11, the Company has removed "base and variable pay compensation of the new CL&P President." The Company did not remove employee benefits, payroll taxes or other ancillary costs associated with the CEO, CFO and CL&P President. Please refer to RRU-176, Attachment 1, for estimates of the CEO, CFO, and President's base salary, benefits and payroll taxes allocated to CL&P for each year 2021 through 2025 and the Rate Year using the 2025 allocation percentage. The historical amounts in RRU-176, Attachment 1, are referenced in Exhibit CL&P-REVREQ-3 in lines 22, 28, and 60. The Rate Year amounts are included in Schedule C-3.12 Employee Benefits and Schedule C-3.38 Payroll Taxes.

d. Please refer to the Company's response to OCC-288[i] for the Company's treatment of the CL&P President's base and variable pay compensation within this rate case proceeding. In accordance with Section 1.4.12 of the 2021 Storm Settlement, the Company has removed "base and variable pay compensation of the new CL&P President." The Company did not remove employee benefits, payroll taxes, or other ancillary costs associated with the CL&P President because the settlement agreement does not require that.

Prior Referenced Response:

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[i] OCC-288 Question:

Incentive Compensation. Identify the total amounts (direct and allocated) of incentive compensation that the Company has removed from the rate year and the reason for which it is not seeking recovery.

OCC-288 Response:

In Section 1.4.12 of the Amended Settlement Agreement in Docket No. 17-12-03RE11 and Docket No. 17-10-36RE03, the Company committed that, in its "next general distribution rate proceeding," CL&P will not seek recovery for the base and variable pay compensation of the new CL&P President. Accordingly, in Exhibit CLP-REVREQ-1 on page 78 and 79, filed as part of the Application on July 14, 2026, the Company stated it is not seeking recovery of the short-term variable compensation and the Long-Term Incentive Plan ("LTIP") for CL&P's President. In addition, the Company has proactively removed the short-term variable compensation and the Long-Term Incentive Plan ("LTIP") compensation for Eversource's CEO and CFO, and the LTIP compensation for the remaining named executive officers. The Company evaluates each rate amendment application based on the facts and circumstances of the Company at the time of the filing. Decisions to remove executive variable compensation in this proceeding does not indicate such treatment in the future for the Company or for other Company affiliates is appropriate. The total amount excluded from the cost of service is approximately $3.3 million.