Date Filed: September 23, 2026

Witness: David L. Gladey, Jeffrey Richard, Leanne M. Landry, Marisa B. Paruta and Jeffrey D. Turano
Request from: New England Connectivity and Telecommunications Association

Question:

(Make Ready Work & Related Costs) Refer to Exhibit CLP-ADDITIONS-1 at p. 69 ("The Company documents the basis for clarifying such work as billable or non-billable.")

a. List and explain each and every reason used by the Company to find make ready work billable, and for each reason describe how make ready costs are treated and recorded.
b. List and explain each and every reason used by the Company to find make ready work non-billable, and for each reason describe how make ready costs are treated and recorded.

Response:

a. The Company determines whether make-ready work is billable by applying the billable/non-billable matrix provided in NECTA-043 Attachment 1. The matrix identifies the circumstances under which make-ready work is the responsibility of the attaching entity and therefore classified as billable.

   When a work order is created, Company personnel and, where applicable, vendors apply the appropriate sub-work type based on the nature of the work and the billable/non-billable matrix. The selected sub-work type identifies the work as billable. Costs associated with the make-ready work are charged to the applicable work order and recorded in accordance with the Company's accounting practices and applicable FERC accounting requirements. The costs remain attributable to the work order through completion of the project, at which time the Company ensures all billable costs have been charged to the appropriate party. Such billable costs are offset to the applicable make-ready work order.

b. The Company determines whether make-ready work is non-billable by applying the billable/non-billable matrix provided in NECTA-043, Attachment 1. The matrix identifies the circumstances under which make-ready work is not the responsibility of the attaching entity and therefore classified as non-billable.

   When a work order is created, Company personnel select the appropriate sub-work type based on the nature of the work and the billable/non-billable matrix. The selected sub-work type identifies the work as non-billable. Costs associated with the make-ready work

are charged to the applicable work order and recorded in accordance with the Company's accounting practices and applicable FERC accounting requirements. The costs remain attributable to the work order through completion of the project. For non-billable make ready costs that are not capitalized, these costs are recorded to FERC Account 186MRC the Non-Billable Make Ready Deferred Regulatory Asset, only to the extent that such incremental annual costs incurred exceed the annual make-ready costs included in base distribution rates, as approved in the Company's last base distribution rate case settlement in Docket No. 17-10-46. For non-billable make ready work that qualifies as a capital investment, these costs are recorded to FERC Account 107, Construction Work in Progress, while the work is being performed. At the time the assets are placed in service, those costs are moved to FERC Account 106, Completed Construction Not Classified, and later to FERC Account 101, Electric Plant In Service, once the asset costs are fully unitized and functionalized.