STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY

Docket No. 26-05-10

APPLICATION OF THE CONNECTICUT LIGHT AND POWER COMPANY
D/B/A EVERSOURCE ENERGY
TO AMEND ITS RATE SCHEDULES

JOINT DIRECT TESTIMONY OF

DAVID L. GLADEY, JOHN P. DIPAOLA-TROMBA, LEANNE M. LANDRY, AND JEFFREY D. TURANO

Capital Additions Panel

On behalf of

The Connecticut Light and Power Company
d/b/a Eversource Energy

July 14, 2026

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I. INTRODUCTION

Q. Please introduce the members of the panel that will be testifying regarding the Company's capital additions (the "Capital Additions Panel").

A. The Capital Additions Panel includes David L. Gladey, John P. Dipaola-Tromba, Leanne M. Landry, and Jeffrey D. Turano.

Q. Mr. Gladey, please state your name and business address.

A. My name is David L. Gladey. My business address is 107 Selden Street, Berlin, Connecticut 06037.

Q. By whom are you employed and in what capacity?

A. I am Vice President, Distribution Engineering, employed by Eversource Energy Service Company ("ESC"), testifying on behalf of The Connecticut Light and Power Company d/b/a Eversource Energy ("Eversource," "CL&P," or "the Company").

As Vice President, Distribution Engineering, I am responsible for the Eversource Energy Distribution engineering organization which includes design and field

engineering for the overhead and underground distribution system, transmission and distribution standards, engineering controls and single pole administrator ("SPA") process. The Distribution Engineers are responsible for monitoring, analyzing, and creating engineering designs to maintain, improve and manage the distribution system performance as related to system asset health, reliability performance, capacity management, and operational performance. The Field Engineering Designers provide detailed designs for new and existing customers service and load changes while working with customers to ensure reliable and safe service. In addition, Field Engineers are responsible for creating detailed work designs and job packages to administer the capital distribution lines large projects.

Q. Please summarize your education and professional experience.

A. I am Vice President of Distribution Engineering at Eversource Energy, where I am responsible for Distribution Engineering across Connecticut, New Hampshire, and Massachusetts. In this role, I oversee distribution system design, regional and customer engineering, distribution system performance, capital investment planning, tri-state standards, engineering controls, and third-party attachment programs. I also have responsibility for advancing system improvements, asset performance, and support grid modernization initiatives across the tri-state service territory.

I bring more than 36 years of experience in the electric utility industry, with leadership and technical expertise spanning generation, transmission, and distribution systems. My career began in 1990 following the completion of a Bachelor of Science degree in

Electrical Engineering from The Pennsylvania State University, with a specialization in power engineering.

I began my professional career with Baltimore Gas & Electric at the Calvert Cliffs Nuclear Power Station, where I was responsible for protection & ccontrol and electrical system analysis, including offsite power requirements. Later I joined PPL Electric Utilities where I held design responsibilities for Susquehanna Nuclear Generation Station and later overseeing the ttransmission asset management organization where I was responsible for the asset and system performance for the transmission system. Finally, at PPL, I oversaw the Distribution Engineering and Asset Management organization where I led the distribution engineering, project management, asset management, distribution planning, third party attachment, protection and control testing and standards teams.

Throughout my career, I have led large-scale initiatives focused on improving system reliability, enhancing asset performance, advancing grid modernization, and integrating distributed energy resources, contributing to achieving industry-leading reliability and operational performance through strategic planning, technology adoption, and disciplined asset management practices.

In addition to my utility leadership experience, I have held positions at PJM with both the Nuclear Generation owners and Transmission Owners. I am currently an active participant in industry organizations where I serve as Vice Chair of the Edison Electric

Institute Distribution Asset Management Subcommittee and as a member of the Association of Edison Illuminating Companies Power Delivery Committee. I am also a senior member of the Institute of Electrical and Electronics Engineers, where I have held leadership roles, including chairing a subcommittee and contributing to the development of standards related to nuclear power offsite and onsite electrical system requirements.

Q. Have you previously testified before the Connecticut Public Utilities Regulatory Authority ("PURA") or other regulatory bodies?

A. Yes. I have previously testified before PURA, including with respect to CL&P's annual Rate Adjustment Mechanism ("RAM") proceedings. In addition, I have testified before the NH PUC in Eversource's most recent distribution rate case in DE 24-070.

Q. Mr. DiPaola-Tromba, please state your name and business address.

A. My name is John P. DiPaola-Tromba. My business address is 56 Prospect Street, Hartford, Connecticut.

Q. By whom are you employed and in what capacity?

A. I am the Vice President of Asset Management and Process Improvement for Eversource Energy, including CL&P. I am employed by ESC and I am testifying on behalf of CL&P in this proceeding. In my role, I am responsible for the leadership and direction of the Eversource Asset Management, Process Improvement, Work Management and

Vegetation Management departments within the shared-services engineering business unit, including asset management for transmission and substation assets, transmission and substation capital project approvals, cost estimating for major projects, process improvement, configuration management, and vegetation management.

Q. Please summarize your professional and educational background.

A. I earned a Bachelor of Science degree in Electrical Engineering, a Master of Engineering degree, and a Master of Business Administration from the University of Hartford in Hartford, Connecticut. I started with the Company in 2008 with experience in engineering and transmission business, including transmission and substation asset management, capital program planning, engineering, cost estimating, process improvement, work management systems, compliance, and vegetation management. I have previously held several technical roles in engineering, asset management, and compliance, including Engineer; Manager of Transmission Asset Management; Manager of Strategy and Performance; Manager of System Performance and Investment; and the Director of Transmission Business and Quality Assurance. Prior to my employment with the Company, I held several positions in construction.

Q. Have you previously testified before PURA?

A. Yes, I have. I have testified before PURA in prior dockets including Docket No. 20-08-03, Investigation into Electric Distribution Companies' Preparation for and Response to Tropical Storm Isaias; Docket No. 24-03-30, Investigation of the 2018-2021 Catastrophic Storm Costs Reported by The Connecticut Light and Power

Company d/b/a Eversource Energy; and Docket No. 25-12-13, Application of the Connecticut Light and Power Company d/b/a Eversource Energy for Order to Securitize 2018-2023 Catastrophic Storm Costs, which remains pending before PURA.

Q. Ms. Landry, please state your name and business address.

A. My name is Leanne M. Landry. My business address is 247 Station Drive, Westwood, Massachusetts 02090.

Q. By whom are you employed and in what capacity?

A. I am the Director, Investment Planning for ESC. In this capacity, I have direct oversight of the financial support function for the Electric Operations Group of the Eversource Energy electric operating affiliates, including CL&P, NSTAR Electric Company, and Public Service Company of New Hampshire. In my role, I am responsible for developing and monitoring business processes that align with corporate financial and accounting policies for key operating units. In addition, I oversee the development of accounting and budget processes for capital-project cost oversight, including tracking of current and projected costs and implementing cost-control measures.

Q. Please summarize your education and professional experience.

A. I graduated from Bentley College (now Bentley University) in 1990 with a Bachelor of Science degree in Accounting. I earned a Master of Business Administration from Bentley College in 2002, with a concentration in Finance. In 2009, I completed a program with Worcester Polytechnic Institute and received an Operations Management

Leadership Certificate. I am also a Certified Public Accountant in the Commonwealth of Massachusetts. Upon graduation from Bentley, I was hired by Coopers & Lybrand ("C&L") (now PricewaterhouseCoopers) as an auditor within its Business Assurance practice. While at C&L, I participated in and provided leadership to the audits of a variety of companies, including public utilities.

I was hired at Boston Edison Company, the Company's predecessor, as an internal auditor in 1994. After my time in Internal Audit, I have held roles of increasing responsibility in Strategic Planning, Annual Planning and Budgeting, merger integration support, and Budgeting and Forecasting. In 2003, I assumed the role of Director, Investment Planning and in 2008 my role expanded to include performing that role and providing administrative support to the Electric Operations group. I was named to my current position in 2012, following the merger of NSTAR and Northeast Utilities. In January 2014, my responsibilities were expanded to include Western Massachusetts Electric Company. In March 2015, my responsibilities were expanded to include CL&P and PSNH.

Q. Have you previously testified before PURA or another regulatory commission?

A. Yes. I have previously testified before PURA in Docket Nos. 18-11-12, 20-08-03, 23-01-03, 24-01-03, 25-01-03, 25-12-13, and 26-01-03. Additionally, I have testified before the Massachusetts Department of Public Utilities and the New Hampshire Public Utilities Commission in several proceedings.

Q. Mr. Turano, please state your name and business address.

A. My name is Jeffrey D. Turano. My business address is 107 Selden Street, Berlin, Connecticut 06037.

Q. By whom are you employed and in what capacity?

A. I am the Manager, Budgets and Investment Planning for ESC, testifying on behalf of the Company in this proceeding.

As Manager, Budgets and Investment Planning, I am responsible for providing the overall coordination of analysis and reporting of operating and maintenance ("O&M") expense and capital-budget performance for Connecticut, as well as managing the day-to-day analysis and assembly of the monthly report of "actual versus budget;" the monthly preparation of projections and preparation of financial reports used in monthly "Work Plan" reviews and supplied to Accounting (monthly executive briefing), Electric Operations executive leadership, the Chief Operating Officer, and the interface between the financial organization and the senior leadership of Connecticut electric operations; and, managing the development of different reporting tools, analyses, assigned staff and other financial duties as assigned.

Q. Please summarize your education and professional experience.

A. I graduated from Providence College in Providence, Rhode Island in 1999, with a Bachelor of Science in Accounting and Business Management. In 1999, I joined PricewaterhouseCoopers as an Associate – Audit and was promoted to Senior

Associate – Audit before joining UnitedHealth Group as a Senior Financial Analyst in 2003. I joined Northeast Utilities, the predecessor of Eversource Energy, in 2005 and have worked in a number of positions with progressive responsibility. I have had my current position since 2017. I am registered as a Certified Public Accountant in Connecticut.

Q. Have you previously testified before PURA?

A. Yes. I have previously testified before PURA in Docket Nos. 24-01-03, 25-01-03, and 26-01-03.

Q. What is the purpose of your joint testimony?

A. Our testimony provides an overview of the Company's capital planning and authorization processes and procedures, as well as a detailed discussion of the capital additions the Company has constructed since its last rate case in Docket No. 17-10-46. We also present the project documentation associated with the capital additions presented for inclusion in the rate base. In addition, our testimony and the associated exhibits demonstrate that the capital investments undertaken by Eversource to expand and improve system infrastructure and to establish business systems and facilities are used and useful in providing service to customers and that the costs incurred in connection with these investments were reasonably and prudently incurred. Our testimony also touches upon planned plant additions and the Targeted System Plan. We discuss the processes and required record keeping for third party make ready pole

work, and, lastly, our testimony proposes changes to the Company's New Business Policies.

Q. Are you presenting any exhibits as part of your testimony?

A. Yes. We are presenting the following exhibits with our testimony:

Exhibit	Purpose/Description
Exhibit CLP-ADDITIONS-1	Joint Direct Testimony of David L. Gladey, John P. Dipaola-Tromba, Leanne M. Landry, and Jeffrey D. Turano
Exhibit CLP-ADDITIONS-2	Summary of In-Service Additions by Year
Exhibit CLP-ADDITIONS-3	In-Service Additions by Project Authorization Policy criteria, Specific vs. Annual, & Distribution Categories
Exhibit CLP-ADDITIONS-4	Project Matrix with Total Additions by Project
Exhibit CLP-ADDITIONS-5	Project Additions by Year and Work Order
Exhibit CLP-ADDITIONS-6	Project Documentation (Cover Sheet, Closing Report, Project Authorization Form, Supplemental Project Authorization Form, Approval Screen)[1]
Exhibit CLP-ADDITIONS-7	Invoice Summary by Project (including Invoice and Purchase Order #)
Exhibit CLP-ADDITIONS-8	Cost of Removal
Exhibit CLP-ADDITIONS-9	Third Party Make Ready Pole Work Capital Costs by Work Order
Exhibit CLP-ADDITIONS-10A	Pre-2022 Project Authorization Policies ("PAP")
Exhibit CLP-ADDITIONS-10B	Post-2022 Project Authorization Policies ("PAP")
Exhibit CLP-ADDITIONS-10C	Delegation of Authority Policies

[1] The Company is providing Exhibit CLP-ADDITIONS-6 via flash drive due to the nature and volume of the documentation being provided. As described in the Company's May 5, 2025 Undocketed Correspondence filed as a follow-up to the January 28, 2026 Technical Meeting on Procedural, Filing and Process Adjustments for PURA Proceedings; the Company's May 29, 2026 Rate Case Filing Logistics Update; and at the June 16, 2026 Procedural Conference, the project documentation is being provided via folder structure. PURA granted this filing procedure in its July 10, 2026 Procedural Order Regarding Submission of Filings.

Exhibit	Purpose/Description
Exhibit CLP-ADDITIONS-11	Process Map of Documentation and Review Tutorial
Exhibit CLP-ADDITIONS-12	Capital Books (2017-2025)
Exhibit CLP-ADDITIONS-13	New Business Policies

Q. How is your testimony organized?

A. Our testimony is organized into the following sections.

- Section I is the introduction.
- Section II provides an overview of the Company's capital program.
- Section III describes the Company's capital additions since its 2017 base distribution rate case, Docket No. 17-10-46 ("2017 Rate Case").
- Section IV describes the Company's capital additions associated with Third Party Make Ready Pole work.
- Section V provides the Company's proposed changes to its New Business Policies.
- Section VI is the conclusion.

II. OVERVIEW OF CL&P'S CAPITAL PROGRAM

Q. What are the guiding principles of CL&P's capital planning process?

A. CL&P's capital plan is developed based on a five-year forecast that is updated annually. The capital program encompasses a range of project and program categories necessary to build, maintain, improve and operate the electric distribution system safely and reliably. These categories are targeted at achieving safe and reliable operation, supporting current and enabling new customer growth, eliminating capacity limitations, supporting business operations, and managing asset health, including remediation of equipment failures, transformer replacements, and third-party/joint-ownership work.

From an overall perspective, the Company's capital-planning objective is to develop capital budgets that represent the optimal balance of executing asset and infrastructure work necessary to maintain and improve the performance of the system, while assuring a cost-efficient use of the capital resources. At the same time, CL&P maintains a level of flexibility in the budget process to deal with contingencies that inevitably occur during the year. Taking these considerations into account, the Company prepares its annual capital plans through a detailed analysis and prioritization process that identifies the appropriate mix of work that will best address system-related safety and reliability issues and opportunities for growth.

The Company follows a rigorous framework to guide its decision-making, evaluation, and approval of all capital program and project investments, and to enable it to identify

key initiatives and optimize the use of its financial resources. All prioritization decisions are ultimately evaluated by the Company's senior executives through an extensive budget-review process.

A. Planning Process

Q. Does the Company have a long-range planning process for capital additions?

A. Yes. The key objective of the long-range planning process is to develop a financial plan that enables the Company's commitment to safe and reliable operations and superior customer service, while maintaining financial integrity and promoting local, state, and federal energy policy. From start to finish, the process is grounded in sound engineering, accounting, finance, regulatory, and legal practice.

The long-range financial and operating planning process takes place on an annual cycle at the Eversource Energy senior management level with the participation of leadership of the operating companies and shared service business units. The process is an ongoing, iterative effort that continues throughout the year with the process commencing in late February of each year when financial systems and models are updated for the final accounting balances from the prior year's close.

The long-range planning process is led by the Corporate Financial Forecast ("CFF") group under the direction of the Chief Financial Officer ("CFO") and typically begins in late February with the distribution of a critical-path communication to responsible departments requesting various information and establishing a project timeline and

culminates in the development of the "Strategic Plan". Over the following 8 to 12 weeks, business units throughout Eversource Energy, in collaboration with the CFF, develop capital forecast estimates covering the next five years for each respective functional area with participation from area leadership. The CFF will analyze any changes, corroborate expectations, and work to synchronize across disciplines to ensure strategic business initiatives, regulatory developments, and recent or pending legislation, for example, are properly reflected in the Strategic Plan. From start to finish this process is a collaborative and iterative process that properly balances customer, operational, and financial capabilities and objectives. The Strategic Plan spans a six-year period, including the current year and a five-year long-range forecast. Once finalized by the CFF group, the CFO presents the Strategic Plan to the Eversource Energy Board of Trustees ("BOT") each June for review.

Through this annual process, the strategic forecast and operating plan is correspondingly advanced year-by-year. Following the BOT's review, the first year of the Strategic Plan is used to set capital and operating and maintenance ("O&M") targets for the coming year's annual planning process.

Q. Please describe the Company's annual capital planning process.

A. CL&P's capital program encompasses a range of project and program categories that are necessary to build, maintain, improve, and operate the electric distribution system safely and reliably. These categories are targeted at achieving safe and reliable

operation, supporting current customers and enabling new customer growth, eliminating capacity limitations, supporting business operations, and addressing asset health, including remediation of equipment failures, transformer replacements, and third-party/joint-ownership work.

As noted above, from an overall perspective, Eversource Energy's capital-planning objective for its operating companies like CL&P is to develop capital budgets that represent the optimal balance of executing infrastructure work necessary to maintain and improve the performance of the system, while assuring a cost-efficient use of the capital resources. At the same time, the Company maintains a level of flexibility in the budget process to deal with contingencies that inevitably occur during the year.

The annual capital plan for CL&P is developed by Distribution Engineering with input from Electric Operations (including the CL&P President) on a project-specific basis and is formulated in line with the financial and performance targets established within the Strategic Plan. The capital plan involves a combination of individual major capital projects; capital programs composed of "sub-projects;" and "line of business" work (for example, non-discretionary core projects) to be funded during the upcoming year. A variety of factors are considered in determining which capital investments are necessary to achieve operating objectives, including but not limited to, aging infrastructure needs, system conditions, reliability performance, new customer growth and resource availability. Multi-year funding for major projects is also reviewed through the annual budgeting process. The CL&P capital plan is developed to address

the safe and reliable operation of the distribution system while ensuring emergent, short-term, and proactive investments to best address customer and system-related issues while adhering to financial and performance targets established in the Strategic Planning process. The operating plan development takes place throughout the summer and early fall. In the August timeframe, the Vice President of Financial Planning and Analysis ("FP&A") presents and discusses the proposed targets with each member of the Eversource senior leadership team. The Budget and Financial Analysis Group within FP&A issues budget instructions to all the FP&A Budget analysts who support the business areas. This process to develop the annual operating plan incorporates a more in-depth review and analysis of both O&M expenses and capital projects.

Operating company presidents are responsible for their respective distribution operations budgets. The CL&P President works closely with the operations leadership team to ensure the details of the budget align with the Company's goals and requirements, and then reviews and presents the CL&P plan to the COO. There can be several iterations to this process, and the process will continue until the budgets are deemed acceptable to help position the Company for success in terms of delivering safe and reliable service to customers. The COO and Company Presidents are responsible for presenting the overall Operations budget to the CFO for review and approval.

Once the Company's annual capital budget is finalized, the CFO reviews the annual capital budget with the Eversource Energy BOT Finance Committee. To support this review, capital books are developed and distributed to the BOT members so that they

have the necessary information and line of sight into the components of the Capital Plan. The capital books, which are being provided in Exhibit CLP-ADDITIONS-12, contain an overview of the Capital Plan across the various Eversource Energy operating companies, including CL&P, as well as key investments by operating company broken into various investment categories. For CL&P, capital projects and programs are broken out into the following investment categories: Basic Business, New Customer, Peak Load/Capacity, Regulatory Commitments, Reliability, Facilities, Information Technology ("IT"), and Other Investments.

Additionally, beginning in June 2022, as a result of the Settlement reached in Docket No. 17-12-03RE11, the CL&P Subsidiary Board was expanded to add three outside board members. Among other duties, the role of the subsidiary board is to review CL&P's financial results including capital investments and to review larger-scale capital projects that require subsidiary board approval in accordance with the CL&P Delegation of Authority ("DOA") policy.

B. Capital Project Authorization Procedures

Q. What is the Company's policy for project authorization oversight?

A. The Company evaluates all capital projects in accordance with its Project Authorization Policy ("PAP"). The Company has evaluated all capital projects included in this proceeding for inclusion in rate base in accordance with the PAP that was in effect at the time the project was evaluated. The PAP provides a framework to guide decision-making, evaluation, and approval of all capital project investments. Within this

framework, the Company is able to identify key corporate investment initiatives, enable the evaluation of all major projects, and prioritize the utilization of corporate financial resources. Capital projects subject to the PAP include, but are not limited to, electric and gas operations and shared services projects, including real estate/facilities, customer care, and information technology. All projects, regardless of size, are required to follow the PAP controls and be authorized in accordance with the relevant DOA policy, which is discussed in greater detail below.

The PAP contains various cost thresholds and, per the policy, a Project Authorization Form ("PAF") must be completed for capital projects that meet/exceed the cost thresholds. Further, if the costs for a certain project are anticipated to exceed specific thresholds, a Supplemental Authorization Form ("SAF") is required to be approved in accordance with the DOA policy based on the revised total cost of the project. We discuss the various PAF and SAF requirements and thresholds in greater detail below.

Per the PAP, the PAF should contain sufficient detail and explanations so the approver is fully informed and can make a knowledgeable approval decision. The PAF should be completed during the early phases of the capital planning process, e.g., at the time of a project's initiation. In an emergency, there may not be sufficient time to complete a project authorization form before a commitment is made. In such cases, the project sponsor must initiate the project and obtain the necessary approvals as soon as practicable and then complete the remainder of the project authorization form as soon as practicable. A PAF includes the following sections:

- Project Description, Objectives and Justification: This section provides a high-level overview of the project and why it should be undertaken.

- Project Scope: This section provides a detailed summary of the project scope, resource requirements, and customer and company impact.

- Project Cost Summary: This section provides a summary of the direct and indirect cost estimates of the project by cost element.

- Risk Assessment: This section provides an identification of any special management, technical, or operational issues and risks involved in the project.

- Alternatives Considered: This section evaluates alternatives where the project is Non-Revenue and feasible alternatives exist.

- Technology Assessment (Information System Projects only): This section is specifically for documenting the analysis of vendor software payments for cloud-based software applications hosting fees only.

- Project Schedule, Milestones and Implementation Plan: This section describes any timing implications and start-up schedules.

Because operating area budgets are prepared in advance for the next year, PAFs are generally prepared and authorized based on planning grade estimates.

As exhibits to our testimony, we have included the PAP policies in effect from 2013 to the present as Exhibit CLP-ADDITIONS-10. Due to the expanded time frame covered by this proceeding, there have been multiple updates to the policy however, the intent, oversight, and control of the policy has remained constant throughout this timeframe. For a majority of the capital additions under review in this proceeding, there are two PAPs that apply to the projects placed in service between 2018 and 2025. Exhibit CLP-ADDITIONS-10A provides the Company's PAP that was in effect prior to January 1, 2022, i.e., from October 20, 2017 through December 31, 2021 (the "Pre-2022 PAP") as well as revisions dating back to 2013. Exhibit CLP-ADDITIONS-10B provides a copy of the Company's PAP that became effective on January 1, 2022 (the "Post-2022 PAP") and a recent revision.

For monitoring and tracking of project authorizations via PAFs, the Company primarily utilizes the PowerPlan system as the repository for authorizations. Authorizations are approved in accordance with the DOA policy and signatures are obtained accordingly. Revisions of the DOA policy have been provided as Exhibit CLP-ADDITIONS-10C.

Q. How have the PAP policy and associated operations processes evolved over the timeframe of 2017-2025?

A. Over this 9-year timeframe, the underlying intent and controls governing the PAP policy remained constant. The PAP policy serves to document project scope, justification and support decision making on final project solution and ultimate

approval. The Company was continuously looking to improve processes and systems over this timeframe, and this is evidenced in the project documentation.

From a process perspective, the project documentation has been enhanced and expanded over this time frame with some minor and some more significant enhancements. As evidenced in the documentation provided in Exhibit CLP-ADDITIONS-10, form content and tables have been expanded to capture more information, including the upfront summary table to capture additional information and the alternatives considered section.

From a systems perspective, in the 2015-2018 timeframe, a LOTUS Notes tool (called SPA&M) was utilized to retain documentation and route projects for approval. This tool served the same purpose as PowerPlan does today but has a look and feel different from the PowerPlan screens we provide for current year projects. In addition, the Company utilizes an internal tool (called ACT) to derive and update cost estimates. This tool is the basis for many of the financial tables in the PAF.

One constant through this timeframe is that project documentation, systems utilized to report and track projects, and operational processes supporting the project controls process have continued to evolve and improve. Throughout this timeframe, the Company's main focus has been on establishing, developing, and enhancing the cost oversight and control processes. As noted throughout this testimony, the Company has employed various oversight teams and committees to ensure a robust project review,

selection, and oversight process. The Solution Design Committee ("SDC") is a cross-functional team that reviews and determines the best design solution for a project. The CT Project Authorization Committee ("CT-PAC") is a cross-functional team that oversees the review and approval of distribution line projects, and the Eversource Project Authorization Committee ("EPAC") oversees the review and approval of station and transmission projects. All of these committees have representation from all facets of Engineering, Operations, Project Management, and Investment Planning. The Capital Governance Committee, which was established in 2024, is a monthly review and oversight by Operations leadership of the capital plan, project status, and projections to ensure that projects are executed according to plan and any variations are discussed and resolved.

In addition, in 2022, the Company implemented a Power BI tool to track and monitor actual versus authorized spending for workorders and projects to ensure compliance with APS01 and implemented this as a performance metric on each area's performance scorecard to drive better visibility. At implementation, this automated tool did identify several authorizations that were pending and resulted in a clean-up effort to ensure all projects were in compliance. As a result, in reviewing the documentation, you will see authorizations where the preparation date may be after the in-service date.

Q. What are the approval requirements for the Company's capital project authorizations?

A. In accordance with the PAP, projects prioritized for inclusion in the budget by operating area require a request for project authorization to be submitted for approval to the senior manager of the relevant operating area. The project sponsor, is the leadership representative of the organization overseeing the project initiator or a project manager, who is responsible for preparing the necessary documentation for approval. In addition, all capital project authorizations must be reviewed and approved by the Plant Accounting department to ensure proper capital and expense classification. The Plant Accounting department also reviews the final unit of property accounting.

Projects are authorized by Company management in accordance with the Company's DOA policy based on the PAF. The Company has provided its DOA policy in Exhibit CLP-ADDITIONS-10C. A PAF is required where: (1) for projects that commenced through December 31, 2021, the project estimate was $100,000 or more in direct costs; and (2) for projects that commenced on or after January 1, 2022, the project estimate was $500,000 or more in total costs.

Q. Did Eversource's recent revision to the PAP change other aspects?

A. Yes. Eversource revised the PAP and supplemental funding requirements for its operating companies, including CL&P, effective January 1, 2022. Specifically, Eversource revised Subsidiary Board approval requirements, expanded preliminary projects to include Initial Funding projects and Partial Funding projects, refined the

classification of information technology ("IT") projects, and revised the cost thresholds for project authorizations and supplemental authorizations.

Q. What are the recent policy revisions related to the Subsidiary Board approval?

A. All Subsidiary Board documentation must be reviewed by the Director of Investment Planning and the Director of Budgeting and Financial Analysis prior to routing for approval. This change enhances management oversight of cost containment by requiring further analysis and review of cost changes and risks prior to Subsidiary Board review and approval.

Q. What are the recent policy revisions with regard to project classifications?

A. The project classifications policy revisions removed the definition of preliminary projects and included two additional phases of approval for use in certain cases: Initial Funding and Partial Project Funding. Initial Funding provides funding for early project development, such as schedule initiation, high level scope development, and preliminary engineering activities. Partial Funding provides funding for project engineering, siting and permitting strategies, environmental surveys, risk analyses, procurement planning, construction and outage planning or similar work. This change is critical because, in some cases, the full budget and scope of an operations project may not be known, but funding authorization is required to initiate the necessary planning stages. Funding authorization in these cases is designed to support initiation and the planning stage activities.

This change also divides the preliminary stage of a project into two separate, distinct phases, allowing for increased cost oversight of capital project planning. This gives CL&P the ability to control the specific costs used for both project development and project engineering strategies separately. Requiring documentation at each of these defined stages is important to monitor spending and enhance cost containment.

Under the revised policy, IT projects should be classified by their sponsoring business area and may be CL&P operations or ESC corporate shared services, with the requirement that these projects follow authorization policies and apply DOA levels for IT and the sponsoring business.

Q. What is the reason for requiring the classification of technology projects?

A. Requiring the classification of IT projects extends the approval process to necessitate a PAF for these projects within CL&P operations, as well as within ESC corporate shared services. As technology progresses, there are increased opportunities for the Company to utilize these technological advances on an operations level outside of a corporate shared service. By requiring a PAF for technology projects at the operations level, the Company is preparing for this shift and the influx of more technology projects separate from those within corporate shared services.

Q. How has the Company reviewed and approved annual programs?

A. A large volume of work occurs on the system on a daily basis associated with projects that are repetitive, numerous, and routine. These jobs are authorized in the aggregate,

or by an annual program authorization. Individual review and authorization of each of these thousands of work orders is not necessary because the jobs are small in scope and highly repetitive in nature – therefore, the costs are highly consistent with the same cost drivers occurring over and over. Reviewing and approving each of these projects independently would require increased staffing levels for little or no marginal benefit, would unnecessarily slow the entire process down, and would negatively impact the Company's ability to undertake routine jobs on a reasonable schedule to continue to provide safe and reliable service. In essence, annual programs represent non-discretionary operational programs required to efficiently operate the electric distribution system.

Typically, these program budgets are set each year based on historical averages that may fluctuate depending on supply chain challenges driving up material prices (e.g., pre-capitalized transformers) and customer growth or retraction (e.g., new customer connection annual). The review and approval of annual programs has evolved. Prior to 2024, these programs were documented and supported by the Company's capital book which is sent to the Board of Trustees in January/February of each year. This serves as documentation and approval of the capital plan. Prior to 2024, Eversource managed and balanced its capital plan across the Company and all other entities. Monthly workplans and financial reports sent to Operations and Finance leadership served as the monitoring tool. Since the annuals were based on historical estimates, there were variances, both plus and minus, across the years. Following the RAM

hearings at PURA in 2023 and a discussion on annual project documentation, beginning in 2024, the annual programs now have project authorization documents in addition to the Capital Book. Also, beginning in 2018, these annuals have been summarized in the annual RAM/ESI filing with an annual filing requirement to summarize budget versus actual variances greater than +/- 10%. To support the variances in the annuals from 2018-2025, the Company included these variance explanations in the project documentation support.

Q. Please describe the Company's revisions to the cost thresholds for the PAFs and SAFs.

A. Effective January 1, 2022, the PAP standardized the PAF threshold amount for all organizations under the Eversource umbrella, including the Company. All Company projects with a total cost estimate that exceeds $500,000 total cost require a PAF.

The thresholds requiring a SAF are as follows:

- For projects $500,000 to $16.5 million – an increase in total authorized cost greater than 15 percent; or
- For projects greater than $16.5 million – an increase in total authorized cost greater than $2.5 million.

Increasing the authorization and supplemental authorization cost thresholds and combining the criteria for all distribution, transmission, and corporate shared services projects simplifies the current process and increases efficiency related to the project review process. The pre-January 1, 2022 PAP thresholds had been in existence for a number of years with no significant changes. Project expenses have increased due to

inflation and rising material costs, necessitating a higher cost threshold to avoid the need for the review and approval of PAFs and SAFs on a significant number of smaller projects. Reviewing and approving SAFs for projects less than $500,000 in total cost unnecessarily delays capital projects, which results in potential impacts to suppliers and the commitments for their procurement of materials ultimately driving further increases in costs.

Additionally, projects less than $500,000 in total cost do not have as many opportunities for cost savings because these are smaller, short-term projects with more predictable budgets. These smaller capital projects are more likely to be routine and utilize equipment and materials previously competitively procured by the Company or ESC. This minimizes the potential for cost savings that could result from further review and analysis. Larger projects with more than $500,000 in total cost will have more prospects for cost savings because they often involve multiple phases over longer periods of time, which affords the Company the opportunity to reevaluate and minimize expenses in the event of a change in scope or budget.

Increasing the cost threshold for requiring PAFs and SAFs will avoid unnecessary delays and allow the Company to focus on examining larger, more expensive projects, which facilitates cost savings and control.

Q. How does the increase to the cost thresholds for the PAFs and SAFs simplify the review process and increase efficiency related to the project review process?

A. Due to the escalating costs of construction, it was necessary for the Company to realign the PAF to maintain the appropriate management focus on projects that should have specific review and authorization. Previously, the Company's threshold for the PAF was $100,000 for direct costs. This threshold of $100,000 for direct costs is the equivalent of approximately $200,000 to $250,000 in total costs (total cost = direct + indirect cost). Thus, the cost threshold revision essentially raised the threshold to $500,000 from a total cost of $200,000 to $250,000.

Direct costs include internal operations labor and construction equipment, outside services, materials, removals, risk and contingency, and all other costs associated with getting the project ready for its intended use. Indirect costs include the services of CL&P and ESC business units – including, but not limited to, planning, project management and engineering – that support the implementation of capital projects. The cost of these shared resources is allocated across all projects.

As was the case with projects with a direct cost of less than $100,000, projects with a total cost less than $500,000 have the following common characteristics:

- Projects are repetitive, numerous, and routine. These projects are authorized via annual program authorizations, rather than on an individual project basis.
- Projects are emergent and of limited scope. These projects are not susceptible to pre-planning or pre-authorization, given time imperatives.

For these two categories of projects, it was necessary to raise the PAF threshold to $500,000 due to construction cost increases and the resulting need to maintain parity with the policy's intended purpose.

Construction costs are always subject to inflation, and the Company had not adjusted this threshold for many years. However, inflation in the past several years has been extraordinary at all levels of the supply chain and workforce. The cost of capital work on the Company's system has increased to the extent that the $100,000 threshold for direct costs on project work became obsolete. For this reason, continued use of the $100,000 direct-cost threshold became counter-productive to the overall concept of a project authorization policy, which is intended to provide an additional level of authority and insight for larger and more complex projects. The whole concept of the PAF threshold is to identify a project cut-off point to ensure that individual projects that (1) are not authorized by annual program authorization; or (2) are not limited-scope emergent projects, are supported by a more comprehensive project authorization and cost control framework. Projects below the cut-off point neither need nor warrant a more complex and resource-consuming project management process. Thus, due to the extraordinary inflationary impacts, the PAF threshold had to be increased to maintain the appropriate cut-off for project scope and complexity.

Q. What is the DOA policy?

A. Given its focus on cost oversight and controls, the Company (as well as the other Eversource Energy operating companies) follow the guidelines set out in the DOA

policy that govern the authorization and approval process for the commitment and expenditure of funds. Under the DOA that was in place at the time a capital project was authorized, management employees are empowered to approve transactions within their respective areas of responsibility according to the dollar limits defined in the relevant DOA policy. The DOA policies in effect from 2017-present are provided in Exhibit CLP-ADDITIONS-10C.

All project authorizations are approved in accordance with the Company's DOA policy. Under the current DOA policy, Company managers must review and sign off on projects with costs up to $100,000. Directors are required to review and sign off on projects that fall within the $100,000 to $500,000 range. Vice Presidents must review and sign off on projects that fall into the $500,000 to $2 million range. A Senior Vice President's review and sign off is required for projects that fall into the $2 million to $7 million range. An Executive Vice President's review and sign off is required for projects that fall into the $7 million to $15 million range. The CFO's review and sign off is required for projects that fall into the $15 million to $40 million range, and the CEO's review and sign off is required for projects that fall into the $40 million to $50 million range. Lastly, the Subsidiary Board must review and sign off on projects more than $50 million.

Q. Are there circumstances under which a project that does not meet or exceed the applicable cost threshold would trigger the need for a PAF?

A. Yes. Pursuant to the PAPs, if a specific project does not exceed the cost thresholds requiring a PAF, the project initiator or project manager may elect to complete a PAF, if desired. The use of a project PAF can be a helpful tool for projects that may involve multiple work orders associated with many distribution assets for tracking purposes. Each PAF is linked to a funding project that accumulates charges from individual work orders underneath it. Although the project may be below the threshold for a PAF, a PAF could be developed for tracking purposes from a project management perspective depending on the complexity and volume of assets on which the work is being performed or the preference of the project manager.

Q. What is the process for adjusting the initial budget approved for a particular project?

A. To the extent that the actual project cost (direct or total based on applicable PAP when the project began) exceeds or is identified to exceed the authorized budgeted amount, a Supplemental Authorization Form is prepared and submitted for approval by management. The project manager and project originator are responsible for submitting a supplementary authorization to the extent that: (1) changes to the scope of a project will affect the cost of the project; or (2) the project is expected to exceed its approved authorized budget amount.

SAFs are required for projects that were initiated in under the Pre-2022 PAP, when:

- For operations projects ≤ $250,000 – An increase in direct costs[2] ≥ $25,000; or
- For operations projects > $250,000 – An increase in direct costs > 10 percent.

SAFs are required for projects that were initiated under the Post-2022 PAP, when:

- For projects $500,000 to $16.5 million – An increase in total authorized cost > 15 percent; or
- For projects > $16.5 million – An increase in total authorized cost > $2.5 million.

In addition, under both the Pre-2022 PAP and the Post-2022 PAP, the Vice President of Financial Planning and Analysis or a designee must approve all SAFs for projects with total cost increases of $1 million and above.

The requirement to submit requests for supplemental authorizations is designed to keep the Company's senior managers apprised of the cost drivers relating to projects in development. By maintaining active oversight for projects requiring supplemental authorizations, management is in a position to analyze whether there are steps that can be taken both in the short-term and long-term to contain costs and most effectively and efficiently deploy the Company's available resources.

[2] Direct costs include internal labor and construction equipment, outside services, materials, removals, risk and contingency and all other costs associated with getting the project ready for its intended use. Indirect costs include the services of Eversource business units that support the implementation of capital projects including planning, engineering and other units. The cost of these shared resources is allocated across all projects.

Q. Can a PAF or SAF be rejected?

A. Yes. Under the Company's Capital Project Approval Process, a PAF or SAF can be rejected at any stage for a number of reasons, including insufficient detail, unsupported estimates, or constructability concerns, etc. When a PAF or SAF has been rejected, the project initiator would need to address each of the reasons for the initial rejection prior to resubmitting the PAF or SAF for review and approval.

C. Project Cost Control/Oversight

Q. Please describe how a capital project moves through the project approval process.

A. The development of a capital project follows a rigorous cross-functional and comprehensive project review and approval process, from initiation to solution vetting, and ultimately through approval. Following the Northeast Utilities and NSTAR merger in 2010, Company management subject matter experts ("SMEs") reviewed the Capital Project Approval Process in use in Connecticut, Massachusetts, and New Hampshire. The Company continues to review and make updates to capital approval processes to ensure a thorough, multi-layered review of capital projects identified and prioritized to ensure the continued safe and reliable operation of the system in order to meet customers' needs.

Initial funding is used to complete preliminary engineering and develop a planning grade cost estimate, as well as establishing the project in the Company's financial and scheduling systems. The initial funding request is required to conform to the DOA in

effect at the time of project inception. The project initiator is responsible for identifying the need for the project, project objectives and explaining the initial funding request. This includes a schedule for the project to progress through detailed engineering and development of a planning grade (+/-25 percent) cost estimate that will be used as part of the full funding authorization request under a PAF. Projects are reviewed at Project Approval Committee ("PAC") and each project is reviewed for the project need and confirming that a capital project is necessary to address the need, reviewing and approving the project's objectives, and ensuring the funding request amount, planned development activities, and schedule are appropriate. Ultimately, the PAC approves a partial PAF[3] for the project based on the their review of the information therein.

In addition to the steps needed to develop and receive approval for the partial PAF, the project initiator is also responsible for coordinating conceptual engineering activities and conceptual cost estimates (-25%/+50%) to support analyses of project alternatives. Following detailed engineering activities, the project develops an updated +/-25% planning grade cost estimate for the project, develops the PAF and secures full funding for the project from the PAC following its review.

[3] The funding authorized under the partial PAF is intended to fund design/engineering for the project as well as project support including site evaluation/prep activities, siting and outreach plans, early procurement activities (in some cases Limited Notice to Proceed for Long-Lead equipment), site testing, outage planning activities, etc. Partial funding should not be used to purchase material or undertake construction activities.

The project initiator develops the preferred and alternatives for the project, including undertaking the necessary conceptual engineering and evaluating the potential use of non-wires alternatives ("NWA") solutions. As part of this step in the project approval cycle, the project initiator identifies key project risks associated with constructability, routing, outage planning and applicable mitigation actions, siting and permitting, environmental impacts, community and external stakeholder impacts, site control, procurement, and other relevant facets of the project. The project initiator then develops project strategies to mitigate the identified risks. Further, the project initiator develops conceptual grade cost estimates (-25%/+50%) for, at a minimum, the preferred solution to the identified need and the leading alternative, as well as order of magnitude cost estimates (-50%/+200%) for alternatives that are not competitive with the preferred solution. After all of this work is complete, the project initiator will recommend a preferred solution to the identified need and document the rationale for the choice of the preferred solution.

At this point in the process, the project initiator will present their findings to the Solutions Design Committee ("SDC"). The SDC's role is to ensure that the best solution for the identified need is selected and guiding principles are followed and drive standardization. The SDC reviews the selected solution, as well as the project alternatives, scope and conceptual grade cost estimates during the solution vetting process. The SDC will review the partial PAF and confirm that the project initiator has selected the best solution for the identified need.

Once the SDC has reviewed and approved the chosen solution, the project initiator will update the partial PAF and return it to PAC for approval to move to gathering all information needed to acquire Full Funding.

The project team can proceed with detailed design, as well as an updated cost estimate. To receive full funding for the chosen solution, the project team must develop planning grade (+/- 25%) cost estimates. The project team will also develop a mitigation plan for project risks and refine project strategies. The chosen project solution will also go through a pre-construction design review so that Engineering and Operations can ensure constructability.

After the preliminary engineering, at a minimum, is completed, the PAF will be completed and the project will be presented to the PAC for full approval and funding authorization.[4] The partial and full PAFs utilized in this process must adhere to the then-effective PAP, including any supplemental authorizations needed for the project.

Projects that are forecasting 5 percent or greater of their original total full funding authorization prior to construction can be re-estimated and reviewed by the PAC and

[4] The Capital Project Approval Process also governs the review and approval of distribution programs. In addition to the typical information included in a PAF, including but not limited to need, objectives, scope and justification, a program level PAF also requires that a financial evaluation on a unit cost basis be completed so that the PAC can fully understand the capital cost of the program. The unit costs used for this calculation are generally based on a similar project that has been completed.

resubmitted for approval consistent with the DOA. Projects that have started construction and will exceed their PAP tolerances must seek reauthorization via a SAF.

Q. Does the Company have processes in place to monitor the capital plan and corresponding budget?

A. Yes. The FP&A organization prepares monthly financial reports that are routinely discussed with the Chief Executive Officer, CFO, and Controller as well as the COO, CL&P President and Operations leadership. The monthly financial report includes detailed analysis of actual monthly financial results (expense and capital) as compared to operating plan. In particular, the FP&A organization identifies each material budget-to-actual variance and also identifies a driver for the variance. These drivers are generally related to business plan changes, such as where a project starts a month ahead of time. The presentation and budget-to-actual comparison are designed to enable close and continuous oversight of the Company's financial results.

On a monthly basis, detailed O&M and Capital reports are generated for each functional organization in the Financial Performance System ("FPS") dashboard application. Company personnel, including analysts that oversee cost control centers within the Electric Business, access the dashboard to assess the reports. The O&M detail reports provide actual, budget, and variance information by cost category. The Capital detail reports provide actual, budget, and variance information by project category. Budget analysts communicate regularly with the Company to assist in understanding its area financial results and the drivers of any variances. In addition,

budget analysts meet monthly with the Vice President of FP&A and Director of Investment Planning to review the O&M and Capital detail reports by organization and discuss the major drivers of the variances. Ultimately, through this process, each organization reforecasts the respective budget and the annual operating plan expected year-end results. This comprehensive and continuous process ensures that budgets and spending are tracked closely and that there is oversight designed to identify and mitigate or rectify any budgeting issues. Additional cost control oversight measures are discussed below.

Q. Once the budget authorization is granted, does the Company endeavor to control project costs?

A. Yes. As discussed above, the Company conducts a detailed, multi-tiered capital-planning process to control costs and manage projects to the established budget parameters. Additionally, the Capital Project Approval Process provides a comprehensive, multi-layered oversight process that assists in cost control and oversight.

The Company's cost-control framework is also supported by its Procurement Policy. Procurement manages sourcing and contracting activities for Normal Goods and Services, including competitive solicitations, bid evaluations, and contract negotiations. Where applicable, the Company uses competitive bidding to promote competitive pricing, supplier accountability, and prudent supplier selection. A competitive bid process is generally required for transactions exceeding $50,000, with

limited exceptions, and awards are based on the "best evaluated bid," considering predetermined commercial and technical criteria such as total cost, risk, compliance, quality, reliability, safety, and availability. In this manner, the Company's procurement processes complement its capital governance.

Where competitive bidding is not feasible or does not provide value due to circumstances such as emergency or time-critical needs, use of an original equipment manufacturer, existing technical or operational requirements, or the availability of only one viable supplier, the Company requires appropriate justification, Procurement review, and documentation consistent with its Procurement Policy and Procurement Manual.

Subsequent to capital project authorization and procurement activity, the primary vehicle employed by the Company for cost-control purposes are the monthly "Work Plan" sessions, capital governance meetings, and monthly Project Review meetings which are conducted by senior management to review the scope, size, design, and status of each approved project to determine if changes are required to the originally approved project that will result in adjusted cost estimates. These cost adjustments may be related to necessary changes in project design, changes in the cost of raw materials, or other factors that affect the estimated costs of capital projects as the projects are being planned, designed, and developed. The Work Plan meetings also provide the opportunity to determine if projects that have been included in a capital budget should be altered or delayed based on the most recent system and cost information available.

Where it is determined that changes to the capital plan or budgeted amounts may be necessary, project managers submit their recommendations to senior management for review and approval. As a result, this process affords management a high level of control over ongoing and planned capital projects.

In addition, the Company has established in 2024 a monthly Distribution capital governance committee that focuses on capital performance, project and program performance, prioritization of work, forecasting of projects and program execution and potential changes to the long-range plan. This monthly meeting contains the SMEs and leadership oversight to discuss capital investment areas down to the project and annual level to understand progress, challenges, and potential risk in the execution year of the capital plan.

The Company has a robust cost review and approval system in place. In addition to the capital review process outlined below, at the time of processing, all timesheets are reviewed and approved by employee managers on a weekly and bi-weekly basis. In addition, all invoices and material requisitions are reviewed and approved in accordance with the relevant DOA policy. In addition, the Company maintains rigorous oversight over the costs charged to each work order. Each month, the project manager, along with an analyst, reviews the costs charged to the work order(s) to ensure that the costs are valid and appropriately charged to the work order. The project manager and the analyst undertake a thorough review of all of the invoices charged to the work order(s) to ensure that the invoices and associated costs are valid. The project

manager will confirm the validity of third-party contractor and vendor regarding invoices charged to a particular job order(s) and, whenever appropriate, will reject the invoice as improper or require changes prior to approval.

The project manager and analyst will also review labor reports to ensure that employee time is properly charged to the work order(s). If the project manager and analyst determine that an employee's time should not have been charged to a particular work order, the analyst will make a journal entry or request a time sheet amendment to charge the employee's time to the proper work order.

This careful scrutiny of the costs charged to capital work orders enables the Company to maintain tight control over capital expenditures and to ensure that every effort is made to provide customers safe and reliable service at a reasonable cost. The above process applies to confirming that costs are appropriately and accurately charged to each capital project and demonstrates the discipline the Company maintains in the management of costs. The level of scrutiny applied to cost management enables the Company to identify opportunities to implement cost reduction and/or efficiency measures that can be incorporated into the Strategic Plan. In addition to the rigorous cost oversight and control process, the Company implements a process for regular and routine project management and oversight activities to monitor for scope or budget creep relative to authorized levels of expenditures through its Project Review Meetings to mitigate any cost over-runs on a project specific basis, as well as for the portfolio of

investments overall. This allows for a more in-depth review of the financial performance on the projects.

The Company's cost containment measures are typically implemented across all business units through the annual budget process described above. As part of the annual process the Company sets enterprise-wide budget targets that are designed to ensure adequate resources to meet internal and external service requirements and objectives, while also motivating initiatives for cost reduction. The Company views that significant opportunities exist across operations and that these opportunities can be realized using tightly controlled budgeting processes that the Company has successfully employed over time. In that regard, the Company does not use a "top-down" approach to identify and achieve cost reductions and the opportunity does not typically result from large, one-off changes to operations. Instead, the Company drives cost reductions from the ground up. To that end, the Company sets goals for O&M cost reductions each year and requires each business unit to propose an annual unit-specific budget designed to contribute to the achievement of those goals while meeting service expectations both internally and externally. This model has produced significant opportunities for cost containment on an aggregated basis across all business units. The Company's approach to rigorous financial planning efforts in relation to its annual budget plan has resulted in a mature process that yields efficiency innovations to reduce operating costs over the long term.

Q. What efforts has the company undertaken to address CWIP and In Service Plant?

A. Over the past few years, the Company has instituted CWIP teams to review all workorders in CWIP for proper capital and expense accounting as well as assessing if a project is completed and should be in service. During these reviews, aged workorders defined as projects that have not had a charge in over 2 years were reviewed and appropriately dispositioned. As a result, there are additions without any spending during 2017-2025, as the project spending pre-dated 2017 but the in service in the accounting system was during the timeframe of 2017-2025.

Q. What factors can result in project cost increases?

A. There are several factors that can lead to increased project costs. The main drivers of cost increases for CL&P are material, labor, scope change, permitting, outage availability, and work hours restrictions imposed by towns. As a project or program progresses through the life cycle phases, monthly governance oversees the areas for potential increased cost. In all cases, discussion occurs around lessons learned or improvements that could be made to address any further or future capital increases. While the Company has a number of touch points related to capital oversight and controls, not all cost escalation can be controlled. For example, town restrictions can occur at the time of construction preventing efficient use of labor or changes in field conditions such as hitting rock or having equipment fail during construction. While these all are discussed for lessons learned, there is little under the Company's control.

Although the Company takes a number of steps to control its project costs, as described above, there are always factors outside its control that put upward pressure on costs. Increasing inflation, which the Company cannot mitigate or eliminate, also continues to impact capital projects.

Additionally, the Company identified supply chain cost increases associated with the Covid-19 pandemic, the war in the Ukraine, and general supply and demand constraints that have been exacerbated by increased demand associated with data center development and tariff volatility. Permitting restrictions imposed by the state and municipalities represents another set of cost drivers that are beyond the Company's ability to mitigate/eliminate. These restrictions include limiting work to certain times of the year (e.g., roadwork moratoriums), times of day (e.g., night work), and/or limited periods of time (e.g., between 10:00 a.m. and 2:00 p.m.).

III. CAPITAL ADDITIONS SINCE DOCKET NO. 17-10-46

Q. What level of investment has the Company made since its last base distribution rate case in Docket No. 17-10-46?

A. Since the Company's last base distribution rate case in Docket No. 17-10-46, beginning January 1, 2017, through December 31, 2025, the Company placed capital additions of approximately $4.3 billion in service for the benefit of its customers. The $4.3 billion in capital additions spans eight broad categories of capital investment –Basic Business, New Customer, Peak Load/Capacity, Regulatory Commitments, Reliability, Facilities,

IT, and Other Investments. We discuss the investments made in each of these categories in greater detail below.

Additionally, although CL&P has made substantial capital investments in its system since its last rate case, the Company's capital requirements are continuing to increase to meet customer and system demands. We discuss the Company's forecast requirements later in our testimony.

Q. Please describe the project documentation the Company is providing in support of its capital additions.

A. In addition to our testimony, we are providing the following exhibits to support the capital additions placed in service since the 2017 Rate Case.

- Exhibit CLP-ADDITIONS-2 provides a summary of In-Service Additions by Year (2017-2025). The information provided in Exhibit ES-ADDITIONS-2 ties total plant additions to the Company's FERC Form 1. The summary provides the following information for each year of investment: the total dollar amount of additions for specific projects greater than $100,000; the total dollar amount of additions for annual projects greater than $100,000; the total dollar amount of additions for all projects greater than $100,000; the total dollar amount for net distribution plant in service additions; the percentage of additions for projects greater than $100,000 out of net distribution plant in service additions; the total amount of additions for transmission plant; adjustments to additions on the FERC

Form 1; and total electric plant in service additions that ties to the Company's FERC Form 1.

- Exhibit CLP-ADDITIONS-3 provides in-service additions, indicates whether the addition is a specific project vs. an annual project, and is- fully reconciled to the Company's FERC Form 1. For each year, the exhibit includes a one-page summary sheet of total electric plant in service and identifies plant-in-service amounts divided into six types of projects/work orders: (i) Specific Projects with total charges over $100,000; (ii) Annual Programs; (iii) Annual Work Orders with total charges over $100,000; (iv) Specific Projects with total charges under $100,000; (v) Annual Work Orders with total charges under $100,000; and (vi) Plant Accounting Adjustment. For each of these six project/work order types, the summary sheets provide a breakdown by category (distribution plant, general plant and intangible plant). Additionally, transmission plant addition amounts and FERC report adjustments are included to tie to the Company's FERC Form 1.

- Exhibit CLP-ADDITIONS-4 is a project matrix which has been designed and assembled to show total additions by project. For each project, the exhibit includes project number, project description, organization category, project type, life to date capital expenditures (direct costs or total costs

depending on PAP criteria), estimated capital expenditures (direct costs or total costs depending on PAP criteria), percentage of actual capital expenditures compared to estimated capital expenditures, in-service capital additions, and project notes, if applicable. There are 4 separate tabs for this exhibit consisting of pre-2022 specific projects, post-2022 specific projects, pre-2022 annual projects, and post-2022 annual projects following the PAP criteria. This exhibit acts as a roadmap to the other exhibits to demonstrate the prudency of each of the capital additions under review in this proceeding. The supporting documentation for each project and work order listed in this exhibit is provided in Exhibit CLP-ADDITIONS-6, which is described below.

- Exhibit CLP-ADDITIONS-5 provides the project additions by year and by work order. It is important to note that it is common for a single distribution project to include multiple work orders, particularly where the capital project is complex and/or being completed in stages. Exhibit CLP-ADDITIONS-5 includes the work order in-service date.

- Exhibit CLP-ADDITIONS-6 contains the project documentation, including the project cover sheet, the project closing report showing a table of the actual charges booked to the job, the PAF, the SAF if required for the project, and the approval screen which demonstrates that the project was

authorized consistent with the relevant PAP and DOA. As noted above, and consistent with PURA's ruling in its July 10, 2026 Procedural Order Regarding Submission of Filings, Exhibit CLP-ADDITIONS-6 is being provided via flash drive given the nature and volume of the documents. Exhibit CLP-ADDITIONS-6 is organized as a folder structure aligning directly with CLP-ADDITIONS-4. Specifically, within CLP-ADDITIONS-6, there are four main folders named as follows: (i) Project Specifics Pre 2022; (ii) Project Specifics Post 2022; (iii) Annual Projects Pre 2022; and (iv) Annual Projects Post 2022 – these are the same four tabs in CLP-ADDITIONS-4, in this exact order. Then within each of the four folders, every project has its own folder, chronologically saved in the same order as CLP-ADDITIONS-4.

- Exhibit CLP-ADDITIONS-7 contains an invoice summary for Test Year plant-in-service capital by project, including both the invoice number and purchase order number.

- Exhibit CLP-ADDITIONS-8 contains cost of removal "(COR") information, associated with the various projects under review in this proceeding. Specifically, the Company is providing information that is similar to what was directed for Yankee Gas Services Company to provide to PURA in its next rate case, as mandated by PURA in Docket No. 24-12-

01, Order No. 18. To help facilitate the review of COR incurrence, CL&P is providing the following information in this exhibit for the Test Year and the prior five calendar years (2020 through 2024): (i) total incurred COR, total accrued COR, and total capital expenditures associated with CL&P Distribution; (ii) ratios of incurred COR to accrued COR, and incurred COR to total capital expenditures; and (iii) COR by work order number for life-to-date charges over $1,000 through December 31, 2025. These work orders were generated using Exhibit CLP-ADDITIONS-5, which provide the Company's calendar year capital projects placed in service.

- Exhibit CLP-ADDITIONS-9 contains the Third Party Make Ready Pole work capital costs by work order, including an explanation of the causes associated with non-billable work.

- Exhibit CLP-ADDITIONS-10 contains the Pre-2022 PAP, the Post-2022 PAP, as well as the relevant DOA policies.

- Exhibit CLP-ADDITIONS-11 contains a process map of the capital projects documentation the Company is providing in this proceeding, as well as a comprehensive tutorial on how to review the documentation. Given the significant amount of project documentation being provided in this proceeding, the Company has developed Exhibit CLP-ADDITIONS-11 to aid in the Commission's review of the capital projects and the costs that

were reasonably and prudently incurred to develop, design, and construct those projects so that CL&P can continue to provide customers with safe and reliable service.

- Exhibit CLP-ADDITIONS-12 provides the 2017 through 2025 capital books provided to the BOT for its review of both the Strategic Plan and the annual capital budget for CL&P.

- Exhibit CLP-ADDITIONS-13 provides proposed red-lined changes to the Company's current New Business Policies.

Q. Is the Company proposing to update the revenue requirement and capital project documentation to address the capital projects expected to be placed in service after the Test Year?

A. Yes. The Company will provide supplemental filings throughout the course of this proceeding to update for in-service plant additions and to update for its anticipated planned plant spending. Supplemental filings for in-service plant additions will include the project costs, in-service amounts, and in-service dates, with the final update of in-service plant additions to be submitted prior to the close of the evidentiary record.

- By September 15, 2026, the Company will provide capital project documentation updates for actuals through June 30, 2026, as well as updates to planned capital.

- By October 15, 2026, the Company will provide capital project documentation updates for actuals through August 31, 2026.

- By November 15, 2026, the Company will provide capital project documentation updates for actuals through September 30, 2026.

- By December 15, 2026, the Company will provide capital project documentation updates for actuals through October 31, 2026, as well as updates to planned capital.
- If feasible, an additional supplement before hearings begin.
- Final supplement to be filed as a late-filed exhibit prior to close of evidentiary record, including updates for in-service plant additions and planned capital.

Q. How did the Company develop its projections for planned plant additions for the period from January 1, 2026 through June 30, 2028?

A. As shown on Schedule B-2.1 (Utility Plant in Service), the Company adjusted the Test Year ending balance utilizing the Company's annual forecasted capital plant additions for calendar years 2026 ($544.1 million), 2027 ($632.1 million), and 2028 ($700.5 million) to calculate the Rate Year Utility Plant in Service through June 30, 2028. In order to determine the interim period planned plant additions from January 1, 2026 through June 30, 2027 ($847.8 million), the Company used the annual forecasted capital plant additions for each calendar year 2026 and 2027 ($544.1 million and $632.1 million, respectively) and disaggregated those additions down to the plant account 301 to 399 levels, as well as the additions for each month, using historical and forecasted information to assist in the determination of the weighing across plant accounts and months. In order to determine the Rate Year planned plant additions from July 1, 2027 through June 30, 2028 ($664.9 million), the Company used the annual forecasted capital plant additions for each calendar year 2027 and 2028 ($632.1 million and $700.5 million, respectively) and performed the same disaggregation exercise described above.

Q. What are the factors driving the level of planned plant additions over the course of the proposed Performance-Based Multi-Year Rate Plan (PBMRP")?

A. As discussed in greater detail in the testimony of the Eversource Leadership Panel, Exhibit CLP-ELP-1, the Company is proposing to implement a Performance-Based Multi-Year Rate Plan ("PBMRP") with a four-year stay-out provision. Additionally, the PBMRP incorporates a regulatory framework designed to support the necessary investments on the system to ensure safe and reliable service while simultaneously balancing affordability concerns for the Company's customers.

As part of its filing in this case, the Company is also providing the testimony and exhibits of Company Witnesses David L. Gladey, Lavelle A. Freeman, Jennifer A. Schilling and Dr. Elli Ntakou, as Exhibit CLP-TSP-1. These witnesses are presenting CL&P's Targeted System Performance Plan (the "TSP Plan") covering the five-year planning horizon for operations and investment on the Company's distribution system over the timeframe of January 1, 2026 through December 30, 2030, and beyond. The framework of the TSP Plan is presented as Exhibit CLP-TSP-3.

The Company developed Exhibit CLP-TSP-3 to bring together several interrelated aspects of the Company's internal long-term planning and system-management functions in order to facilitate a review of where the Company is headed and why. The TSP Plan presentation is designed with specific consideration of assisting PURA and other participating parties and intervenors in gaining a line of sight into the Company's

goals and objectives for investment and operation of CL&P's distribution system over the next five-year planning horizon, and beyond.

Q. Is the Company requesting PURA to render a decision in this case that the costs associated with the planned plant additions are "prudently incurred"?

A. No. The Company anticipates that PURA would make its prudence determination on planned plant additions in the next rate case at such time that those projects are placed in-service, are used and useful and accompanied by project documentation to support that finding.

Q. Is the Company requesting that PURA include planned plant additions in setting rates?

Yes. It is critical that the Company receive a level of financial support in its rates to enable it to execute its capital investment plan in the Rate Year, consistent with PURA's precedent in the Company's past rate cases and previously approved multi-year rate plans. The Company proposes to include its planned plant additions through the Rate Year in rates, as updated during the pendency of this case and subject to reconciliation and a prudence determination in a future rate case. In addition, as discussed in greater detail in the testimony of the Leadership Panel, the Company's proposed PBMRP is tethered to the planned capital investment plan described in the TSP Plan (and the AMI Investment Plan, should PURA agree that the Company should proceed with its AMI Implementation Plan, as described in the testimony of Company witnesses Jared Lawrence and Douglas Horton) over the course of the PBMRP.

Q. Following a final decision in this docket, does the Company have a proposal to maintain PURA's oversight on the status of planned plant additions?

A. Yes. The Company's proposed PBMRP envisions and requires an annual process where annual reports on plant additions and spending can be provided as a compliance filing, consistent with prior practice for the Electric System Improvement mechanism in the annual revenue adjustment mechanism proceeding. For further details, please refer to the Company's Leadership Panel testimony, provided as Exhibit CLP-ELP-1 .

A. Basic Business

Q. Please describe the types of capital projects the Company has undertaken in the "Basic Business" investment category since its last rate case.

A. Basic business addresses daily operational needs including the purchase of line transformers, meters, vehicles, and tools as well as addressing emergent equipment failures, line relocations, lighting, and acts of public authority.

B. New Customer

Q. Please describe the types of capital projects the Company has undertaken in the "New Customer" investment category since its last rate case.

A. Within the "New Customer" investment category the Company has identified the following types of capital work, which include:

New customer investments reflect growth in the Company's territory including new residential and commercial developments, installation of services, expansion projects for existing customers, interconnections for new systems and distributed generation

projects, all net of customer contributions. There has been increased growth in the number and spend for larger more complex customer projects. The smaller less complex projects have maintained a similar level of spend in the past years since the last rate case. The need to upgrade Eversource systems for capacity has increased due to these large customer demands.

As noted in the RAM Docket (Docket No. 26-01-03), new customer connection projects have the customer contribution (known as CIAC) applied at the time the workorder is set up, while for distributed generation ("DG") projects contributions are not fully applied to the workorder until the construction is complete. As a result, for DG projects this may result in a timing difference between when the assets are placed in service and when the contribution is subsequently applied. For purposes of this filing, the Company has $11M of 100% reimbursable DG project net plant additions included in this filing due to the timing of customer billings for additional costs incurred or due to timing of applying customer payments due to the final construction reconciliation. Since these projects are 100% reimbursable and this is truly a timing difference, the Company will exclude net plant additions for 100% reimbursable DG projects from its final filing.

C. Peak Load / Capacity

Q. Please describe the types of capital projects the Company has undertaken in the Peak Load / Capacity investment category since its last rate case.

A. Peak Load/Capacity projects address potential equipment damage due to overloads which could result in customer outages while also providing operational flexibility to enable outages to be isolated and restored through alternate sources. The current Eversource design criteria states that under normal conditions underground cables are not to exceed 80% and overhead conductors are not to exceed 90% of the normal rating. Under contingency (abnormal conditions), both underground cables and overhead conductors cannot exceed 100% of normal ratings. Projects include replacement of overloaded equipment with higher ampacity rated equipment, offloading equipment, or installation of new facilities.

D. Regulatory Commitments

Q. Please describe the types of capital projects the Company has undertaken in the Regulatory Commitment investment category since its last rate case.

A. The Regulatory Commitment investment category includes:

Hi Over Low Voltage

This investment category eliminated bare over bare primary conductor with circuits of different voltages. Failure of conductor on the top higher voltage circuit has resulted in over-voltage conditions on lower circuits causing customer equipment damage. It was estimated that CL&P had approximately 22.5 miles of higher risk double circuit high-over-low voltage construction in 2016. Solutions included conversions and

elimination of the lower voltage circuits, reconductoring of one or both circuits with covered wire, or re-routing of one of the circuits. Elimination of high-over-low-voltage conditions minimized the risk of failures that caused unsafe conditions within customer's homes and facilities. This initiative complies with a commitment made under Docket No. 02-09-09. This investment category has been completed and is no longer funded.

Network 500KCMIL Cable Replacement

This investment category involved the replacement of 500 kcmil secondary conductors and open secondary bus work in Type B underground network systems with 4/0 copper secondary cables and insulated limiter crab connectors. Upon completion of Type B networks, the Type A networks in Hartford were rebuilt due to cracked insulation on 4/0 Cu secondary conductors. The design and condition of the network secondary bus can have a significant impact on reliability and restorability. This investment category has been completed and is no longer funded.

Transmission Distribution Reliability Performance ("TDRP")

This investment category focuses on making reliability improvements where appropriate to the "100 worst" (of approximately 1,152) CL&P circuits each year. This program (TDRP) is mandated by PURA as a result of Docket No. 86-12-03. The "100 worst" SAIDI/SAIFI circuits were analyzed, and cost-effective reliability solutions implemented. This initiative was necessary to address worst performing circuits to provide improvement for the customers on these circuits. Failure

to continue to improve reliability performance in Connecticut would adversely impact customer satisfaction. Reliability improvements were selected that targeted the root cause of the poor performance. Improvements may include rebuilding portions of the circuit to current standards, better sectionalizing, enhanced tree trimming and/or hazard tree removal, improved animal protection, and additional lightning protection. The circuit segments were prioritized based on Months Between Interruptions ("MBI") and SAIDI performance.

E. Reliability

Q. Please describe the types of capital projects the Company has undertaken in the Reliability investment category since its last rate case.

A. The Reliability investment category includes the following:

Reliability Improvement Specific Projects

This investment category is a capital project-type whose purpose was to improve reliability for customers that have experienced poor reliability. These improvement projects were > $100k and included aging or deteriorated plant as well as adding equipment to better sectionalize distribution circuits to minimize the number of customers affected by outages. Examples of this improvement work included reconductoring bare wire on side taps with covered wire, adding fuses or other protective devices to better sectionalize areas, adding/improving animal protection and adding lightning arresters. The Company addressed problem areas to improve reliability and improve customer satisfaction.

Reliability Improvement-DR Annual

This investment category is an annual capital project-type for small projects <$100k whose purpose was to improve reliability to groups of customers that have experienced a very high frequency of interruptions each year. These improvements included aging or deteriorated plant as well as adding equipment to better sectionalize distribution circuits to minimize the number of customers affected by outages. Examples of this improvement work included small reconductoring sections of bare wire on side taps with covered wire, adding fuses or other protective devices to better sectionalize areas, adding/improving animal protection, and adding lightning arresters. This program provided the ability to quickly address acute reliability problems in response to poor reliability performance.

Substation Elimination-Line Work

This investment category provided funding for the line work necessary to eliminate small, aging distribution substations that, if not eliminated, would require significant upgrades and equipment replacement to remain in service. Some of the substations were "Islanded," i.e., a substation where all or most of the load cannot be picked up by alternate sources in the event of a transformer failure. Rather than replacing the aging substation equipment, the preferred mitigation technique, for both the Islanded and non-Islanded substations, was to eliminate them by converting the distribution system to safely operate at a higher voltage fed from a bulk substation that is not islanded. The substations included in this initiative had an average age of 60 years old and typically

supplied aging distribution line facilities with class 3 or smaller poles. Eliminating the substations by rebuilding the distribution system to operate at a higher voltage, such as 13.8 or 23 kV, solved both issues and improved reliability in both non-storm and storm situations. Not replacing aging equipment proactively, such as switchgear, circuit breakers, and transformers, could lead to increasing equipment failures and extended outages for large numbers of customers.

F. Network Reliability

Q. Please describe the types of capital projects the Company has undertaken in the "Network Reliability" investment category since its last rate case.

A. The Network Reliability investment category includes the following:

Underground Cable & Equipment Replacement

This investment category UG Cable & Equipment Replacement supports the replacement of Paper Insulated Lead Covered ("PILC") cables on distribution circuits. These vintage PILC cables were mainly used on circuit getaways and in network areas up until 1984 with a 40-to-50-year service life expectancy. Most in-service PILC cables have exceeded their useful life resulting in 3 failures per 100 km or 1 failure per 20 miles of cables in operation over 45 years (CIRED – Madrid, 3-6 June 2019). Failures of PILC cables may result in customer interruptions and place the distribution system in an abnormal configuration for an extended duration of time. Underground network systems, such as those located in Hartford, are typically supplied by PILC feeders. A second failure, while already in an abnormal configuration, could lead to the de-energization of an entire network system impacting large groups of

customers. Benefits of replacing PILC cable include worker and public safety, environmental, reliability, capacity, and customer satisfaction.

Underground Network Automation

*The purpose of this i*nvestment category was to deploy network monitoring technology throughout Eversource service territory. A network communication system provides essential data to system operators and engineers to operate, maintain, and to plan for normal and contingency network events. This initiative will also expand automation and communication to other types of underground equipment including switchgear, sectionalizing switches, and line sensors. This data greatly *improve*d load flow monitoring, long-term planning and *provide*d invaluable information during network contingency events to our system operators. Automating and providing communication to underground equipment *improve*d reliability and *enable*d operators to effectively manage and control underground distribution system assets.

Underground Structure

This investment category rebuilds or replaces structures that are unsafe or no longer meet specific system needs. Typical structures include concrete manholes, service boxes, transformer vaults and duct structures. The most common mode of structural failure is in the roof and/or cover of underground structures. These components take the majority of mechanical stress from above-ground traffic. Other less common failure modes include age/obsolescence of materials and previous but undiscovered damage done by past excavation for road or utility work. Structures to be replaced or

repaired will be identified through regular inspection programs and subsequent evaluations by civil engineers. On an annual basis the Company prioritizes repairs for emergent issues. Worker and public safety can be negatively impacted if structural failure goes unaddressed.

Direct Buried ("DB") Replacement

This DB Cable program funds the rejuvenation or replacement of direct buried distribution cables in underground residential and commercial developments that were reaching the end of their useful lives. It has been determined on an industry-wide basis that much of the original XLP and HMP-insulated primary cable installed in the DB system had not achieved its engineered life expectancy. Premature cable failures have degraded their reliability for the Company's customers served by these cables.

G. Expanded Reliability

Q. Please describe the types of capital projects the Company has undertaken in the Expanded Reliability investment category since its last rate case.

A. The Expanded Reliability investment category includes the following:

Pole Integrity

This investment category replaces or reinforces wood poles that cannot remain in service due to loss of strength from decay or insect infestation. Historically, CL&P used only the minimum National Electric Safety Code ("NESC") wood strength requirements to identify reject poles. The Company incorporated new standards to help identify pole replacements. This focused on older, smaller Class 3, 4, and 5 poles

because they are more susceptible to damage from 95 mile-per-hour winds or ¾" of radial ice. Replacements are based on annual inspections. The initiative supports safety, reliability and emergency response and commitments to the customer and communities. Without replacement or reinforcement, reject poles are more likely to fail because of their reduced strength and ability to support the line and equipment load.

Right of Way

This investment category covered the replacement of various components of the overhead distribution system on road rights of way ("ROW") that are critical in supporting the grid connection and distribution to lower feeders as well as being some of the oldest assets on the system. The primary components in this category were obsolete wire and aged poles, but it also includes such things as obsolete switches and crossarms. This program allowed for replacement or relocation of the worst performing ROW overhead lines each year, using system resiliency standards. As equipment reaches end of design life and beyond, failure rates increase. The failures not only impact customer reliability but also impact public safety and the safety of CL&P workers.

Smart Switch

This investment category covered adding sectionalizing devices on overhead distribution circuits to improve reliability. This improved reliability is achieved by increasing the number of locations on a circuit where damaged conductors or other equipment can be isolated, allowing the restoration of the undamaged portion.

Eversource's focus was on the increased use of automatic sectionalizing switches to lower the average number of customers impacted for each three-phase backbone interruption to less than 500 customers. Eversource realizes a reduction in the number of customer outages during major storm events by utilizing the existing capabilities of its automation technology. By automating the restoration of large blocks of customers, fewer customers will experience long duration interruptions.

H. Facilities

Q. Please describe the types of capital projects the Company has undertaken in the Facilities investment category since its last rate case.

A. Facilities projects include infrastructure improvements, life cycle upgrades and major building and facility renovations and upgrades. Continued occupancy of older facilities requires capital investment to keep building systems functioning efficiently, effectively, and in compliance with building codes. If capital refresh funding is not received, the facilities will fall into a state of disrepair resulting in increased O&M costs as well as higher levels of capital costs in the future. In addition, Facilities optimization efforts would not be realized and the customer benefits not achieved.

I. Information Technology

Q. Please describe the types of capital projects the Company has undertaken in the IT investment category since its last rate case.

A. Information technology projects are focused on strategic system investments, the customer experience and supporting systems, investments in cyber security systems, tools and services and the replacement of aging infrastructure.

IV. THIRD PARTY MAKE READY POLE WORK

Q. Please describe pole attachment make ready work.

A. The Company has a third-party attachment organization, the Single Pole Administration ("SPA") that oversees and manages the application and engineering processes associated with third-parties' desire to attach their equipment to poles owned by the Company or jointly owned by the Company and Frontier. Companies such as Comcast, Xfinity, GoNetSpeed, etc., want to attach their communications equipment to the Company's solely or jointly owned poles. It is the Company's responsibility to ensure that any proposed attachments meet the mandatory Service Clearance ("SC") distances set out in the National Electrical Safety Code ("NESC") Clearance Requirements. The NESC codes dictate how much space must separate (1) the Company's electric cables from communication wires and (2) communication wires from other communication wires, as well as how high they must sit above the ground. It is standard for the Company's wires to be located closest to the top of the pole.

The Company manages the pole attachment process to ensure that all attachments are

properly undertaken and located and that the applicants are paying for their equipment to be attached to the poles.

Q. Please describe how the process works.

A. Consistent with PURA's directives regarding pole attachments, the Company utilizes Alden Systems, a joint use utility pole management platform. The centralized Alden One software manages all joint use contracts, permitting applications, make ready activities, and associated timelines for entities operating in the Eversource service territory within Connecticut. Although the annual volume varies from year to year, the Company receives and addresses an average of approximately 930+/- pole attachment applications per year, representing an average of approximately 31,642 +/- poles managed annually.

Prospective attachers utilize Alden One to prepare and submit a pole attachment application. The completed application is submitted to the Company through Alden One, while the PURA-approved application fee and applicable pole survey fees are remitted to the Company by check.[5] The Company also collects the applicable Frontier or Verizon application and survey fees, as appropriate, and remits those fees to the respective joint pole owner on a monthly basis. Following receipt of the completed application packet and applicable fees, the SPA reviews the application for

[5] PURA authorized the Company to charge $150.00 per application and $125.00 per pole survey fee for commercial third-party attachers. The application fee is waived for municipalities and CDOT, but they are required to pay $25.00 per survey.

completeness and compliance with the Company's filing requirements before assigning the application to the Company's third-party engineering contractor to conduct a field survey. The survey evaluates whether the proposed attachment can be accommodated safely within the electric space in accordance with the NESC requirements, Company engineering standards, and other applicable design and safety requirements. If the proposed attachment cannot be accommodated without creating a violation or requiring modifications, the Company's third-party engineering contractor identifies the measures necessary to safely accommodate the attachment. For jointly owned poles, Frontier or Verizon, as applicable, independently evaluates the communications space to determine whether the proposed attachment would require modifications within the communications space.

Make ready solution measures may include reconfiguring existing facilities or, where necessary, replacing the existing pole with one of an appropriate class and strength to safely accommodate the proposed attachment. Where engineering analysis is required, the Company utilizes pole loading software, PoleForeman, to evaluate the existing pole configuration and determine the appropriate make ready solution. The PoleForeman model inputs a number of data points, including equipment, angles, wire size, and tension detail, and performs loading calculations to determine pole strength utilization and compliance with NESC safety requirements. The Company then develops an estimate for the make ready work in the electric space and presents it to the prospective attacher. For jointly owned poles, the proposed make ready design is coordinated with

the joint pole owner to ensure the overall make ready solution addresses both the electric and communications space, and then presents it to the prospective attacher. Frontier or Verizon provide make ready invoices for the make ready work needed in the communications space. Once the estimate is accepted and the attacher submits the requisite payment to each pole owner, the Company will schedule the work in the electric space, which will be completed by either internal personnel or third-party contractors. When the work has been completed in the electric space, the make ready work continues sequentially down the pole through the communications space.

Q. How does the Company determine if the make ready work is billable or non-billable.

A. In terms of pole attachment make ready work, "billable" costs are those determined to be appropriately attributable to the proposed attachment and are charged to the prospective attacher. Payment of applicable billable make ready costs is required before the proposed attachment may proceed. Non-billable make ready costs arise when existing conditions unrelated to the proposed attachment must be corrected before the requested attachment can be accommodated safely and in compliance with the NESC and applicable safety codes, engineering standards, and design requirements. Because these costs are not appropriately attributable to the prospective attacher, they are not included in the applicant's make ready charges. The Company documents the basis for clarifying such work as billable or non-billable.

While the applications referenced above are a necessary step to commence the

investigation into a proposed attachment, the Company cannot determine whether ~~or not~~ the work will be billable or non-billable based on the information contained in the application. Instead, the Company relies on the engineering survey, the applicable work order, and other supporting information maintained within its pole management systems to make this determination.

In Docket No. 19-01-52RE01, PURA authorized the Company to defer non-billable costs in a regulatory asset and seek recovery approval for them in the next general rate case. PURA stated that it (1) would consider the recovery of reasonable and prudently-incurred non-billable make ready costs in future rate case proceedings and (2) may balance recovery of these costs against the reasonable achievement of the timelines and faithful implementation of the strategies intended to alleviate the backlog of attachment applications.

Consistent with the objectives of the Final Decision in Docket No. 19-01-52RE01, the Company implemented procedures to identify and track billable and non-billable make ready costs, while also pursuing process improvements intended to alleviate application backlogs. These efforts included working collaboratively with Frontier through regular meetings, application status discussions, and process improvement efforts intended to support more efficient processing of joint-use attachment applications. While Eversource does not control Frontier's processing timelines, it has focused on

improving those aspects of the attachment process within its control while coordinating closely with Frontier on matters requiring joint participation.

In implementing these procedures, the Company sought to ensure that make ready costs were billed to attachers whenever such costs were recoverable under the pole attachment framework. To support consistent application of this process, the Company developed and implemented a billable/non-billable determination matrix, established standardized documentation requirements, and required the basis for each billable or non-billable determination to be recorded within the work order and the Alden One application. These procedures promote consistent classification of make ready costs and provide a documented basis for each determination included in Exhibit CLP-ADDITONS-9.

PURA also directed the Company to record and maintain detailed records supporting the underlying basis for the non-billable make-ready costs deferred as a regulatory asset. Accordingly, the Company has provided the supporting documentation in support of the Revenue Requirements Panel testimony, outlining the regulatory asset presented in Exhibit CLP-REVREQ-4. Additionally, the Company has produced documentation in Exhibit CLP-ADDITIONS-9 to demonstrate that the non-billable capital costs incurred between 2017 and 2025 in relation to make ready work were reasonably and prudently incurred.

Q. Does the Company prioritize applications for pole attachments?

A. Although the applications are addressed on a first come, first served basis, the Company conducts the necessary application reviews and engineering surveys in a timely manner. Often, delays in scheduling and conducting the necessary work occur where Frontier, as joint pole owner, has not conducted the necessary surveys of the communication equipment on the pole in question. Frontier, as the ILEC, is solely responsible for maintaining the communication space on the poles in question. Accordingly, CL&P cannot move forward with the attachment until Frontier has conducted the necessary surveys and the solution has been agreed to. While the Company works closely with Frontier to process applications efficiently, there are invariably delays associated with Frontier's surveying schedule that the Company cannot reduce or eliminate.

Q. Does the Company utilize third-party contractors for make ready work?

A. Yes. The Company uses third-party contractors to conduct surveys and engineer solutions for prospective attachments to address, for example, a congested pole, violations of the NESC code, or the need for a pole replacement. The Company also utilizes third-party contractors for construction activities as needed. As noted above, the number of applications received and processed on an annual basis can vary widely from year to year. Utilizing third-party contractors is efficient from both a resource and cost perspective. The third-party contractors, who were retained following a

competitive solicitation,[6] complete the make ready work using per unit pricing, so they are only paid for completed work. Members of the Company's third-party attachment organization (SPA) and engineering and design organization participated in the technical evaluation of the bids received in response to the request for proposals.

Regarding the actual work to implement the solution, the Company utilizes internal operations personnel whenever they are available to complete the work. In the event that they are not available, the Company will utilize third-party contractors.

Q. What processes does the Company use to oversee the third-party contractors' work to ensure they are performing consistent with their contract obligations?

A. The third-party engineering contractors develop the work orders that form the basis of the make ready work and Company personnel review those work orders. If the work orders are consistent with CL&P's requirements, Company personnel will sign off on the work order. If revisions are necessary, Company personnel will return the work order with instructions to address any identified deficiencies and make the necessary revisions before resubmitting the work order for review and sign-off.

The Company also undertakes assessments of the work orders and rates the quality of the preparation and contents of the sampled work orders. Specifically, the Company rates the sampled work orders for accuracy, thoroughness, etc., as it relates to the agreed

[6] The solicitation resulted in a three-year contract with two optional one-year extension periods. 2026 represents year one of the contract.

upon solution. The full design, which includes the construction sketch, Maximo design, PoleForeman analysis, etc., are reviewed. This practice has established guidelines for the contractors in terms of the Company's expectations, resulting in improvements in the development of the work orders for make ready work. The Company undertakes the same sampling and rating of make ready capital work outsourced to third-party contractors.

Q. Is the Company proposing any changes to the fee structure, AldenOne process, or other aspects of the pole attachment application process?

A. No, not in this docket. PURA recognized in Docket Number 19-01-52RE01 that it was unlikely that the per pole survey fee increase approved in that proceeding would cover all costs incurred by the pole owners and indicated that it intends to reevaluate the costs in future proceedings, including in the next rate cases filed by the Company and United Illuminating ("UI"), respectively. Further, PURA directed the Company and UI, in their next rate cases, to propose a methodology to allocate and charge attachers and non-SPA pole owners their proportionate share of AldenOne costs.

While the Company agrees that the increased survey fees do not cover the costs it incurs in conducting the surveys, it has not included any further fee increase proposals in this proceeding, nor has it proposed how to allocate and charge AldenOne costs. Given that pole attachment issues, including but not limited to survey fees and AldenOne costs, impact the Company, UI, state agencies, municipal subdivisions and commercial entities seeking to attach their equipment to poles across Connecticut, addressing these

issues in a common proceeding will be more administratively efficient, enable impacted parties to participate fully, and result in equitable solutions for all impacted parties. Accordingly, on April 22, 2026, the Company filed a Joint Motion to Reopen Docket No. 19-01-52RE01 to address these issues efficiently and effectively. Docket No. 19-01-52RE01, Motion No. 44.

Further, if PURA grants the Joint Motion to Reopen, the Company recommends that PURA also undertake a review of state agency and municipal use of the application process through AldenOne. To date, the Company has identified a number of instances where municipalities and CDOT failed to utilize the AldenOne application process and instead have attached equipment to Company-owned and administered poles without permission or notice. The Company typically identifies this type of unauthorized attachment when a pole is damaged and needs to be repaired/replaced. Such a practice can result in potential safety and resiliency issues since the Company was not given the opportunity to conduct a survey and determine if the attachment resulted in violations of NESC code that mandated a solution. Additionally, the practice of attaching equipment to Company poles outside of the AldenOne application process is problematic during storm events. In cases of pole damage caused by a weather event, the Company's response and restoration of service will be delayed as it has to determine who owns the unauthorized attachments. While that Company has proactively tried to work collaboratively with state agencies and municipalities to avoid these problems, continued attachment of devices outside the AldenOne application process must be

addressed by PURA to avoid safety and reliability issues.

V. NEW BUSINESS POLICIES

Q. Is the Company proposing any revisions to its New Business Policies?

A. Yes. Exhibit CLP-ADDITIONS-13 provides clean and redline copies of CL&P's proposed revisions to its New Business ("NB") Policies. The Company is proposing material revisions to NB Policy 2 ("NB-2") and NB Policy 12 ("NB-12), as well as material revisions to its other NB Policies.

Q. Please describe the material revisions to NB-2.

A. NB Policy 2 provides applicable pricing information for work to be performed under other NB Policies. CL&P is proposing material revisions to this policy to provide customers with up-to-date unit charge information via Maximo, which is CL&P's work order estimating system and asset lifecycle management system. Maximo is used for the tracking and installation of new services, maintenance, inspection, and reliability of critical equipment and infrastructure. Maximo material costs, labor rates, and loaders are updated in real time.

Q. Why is the Company proposing these revisions to NB-2?

A. This pricing information, effective as of May 1, 2018, was last updated as part of CL&P's 2017 Rate Case. Because NB Policies are usually updated as part of rate cases and costs generally increase between rate cases, the unit charges listed in NB-2 may not reflect CL&P's actual costs. Providing up-to-date unit charges at the time of

construction ensures that the Company's ratepayers are not subsidizing work performed under other NB Policies. The current method of determining the NB-2 rates is a manual process and does not include all Eversource equipment types. NB-2 currently allows the Company to use an alternative method when required to produce a billing estimate, which is the Maximo work order estimating system.

Q. Please describe the material revisions to NB-12.

A. NB Policy 12 ensures that the Company's customers are not subsidizing unnecessary upgrades to serve new customer load additions. CL&P is proposing material revisions to this policy to clarify the scope of when this policy applies to a request for service by a new customer, to provide more clarity on how these refundable advances are calculated, and how full use is determined under NB-12, Policy C, to allow the customer to seek a refund of the advance at any time within 4 years of completion of the upgrades if the customer believes the upgrades are in full use, and to charge customers if the service request requires substation upgrades.

Q. Why is the Company proposing these revisions to NB-12?

A. The proposed revisions reflect how the Company currently interprets NB-12. CL&P currently interprets NB-12 to apply broadly to requests for extensions, modifications, and reconductoring of Eversource's facilities, including circuit upgrades. CL&P intends to begin charging customers if the service request requires substation upgrades. CL&P also currently calculates estimated construction costs using a load ratio share methodology and interprets the "two-month period" for determining full use to be two

consecutive months. The proposed revisions also inform customers that they may contact the Company at any time to determine whether a refund of the advance is owed because the upgrades have been put to full use.

Q. Please briefly summarize the material revisions the Company proposes to its other NB Policies.

A. The Company's NB Policies have been revised to reflect organizational changes since the last revision to these policies. The following list summarizes proposed material revisions by policy.

<u>NB-1 – Residential Electric Service General Terms and Conditions</u>

- Proposed clarification that NB-1 does not apply to apartment buildings of four or more stories (whether or not the stories are habitable or unhabitable) and to services greater than 400 amps.
- Proposed revision reserving the right to charge for additional trips.
- Proposed revision making customer responsible for all tree trimming, tree removal, and excavating required to provide service, whether on public or private property.
- Proposed clarification that CL&P determines type of service based off the customer's needs and the location of the service entrance and that meter installations are normally on the front of the building, closest to distribution facilities.
- Proposed revision requiring customer to provide conduit to CL&P distribution system rather than just the curb line.
- Proposed revision reserving the right to bill customer for other equipment when standard service allowance is exceeded.
- Proposed clarification for when the need for three-phase service can be justified by the load.
- Proposed clarification that CL&P will only maintain Company-owned residential services.
- Proposed clarification that CL&P will remove only the last span of service cable at no charge and revise that the removal request with be honored within 15 working

days.

NB-3 – Electric Metering

- Due to concerns from the Company's Security group, proposed removing the ability for a customer to directly connect to CL&P's meter with "read only" permissions.
- Proposed removing the ability for a customer to request and install customer-owned revenue meters, which the Company will no longer allow.
- Proposed removing obsolete language related to the phone-line communications and phone-line metering.

NB-5 – Electric Supply and Service to Commercial/Industrial Customers in Conventional Underground Areas

- Proposed clarification to civil infrastructure ownership beyond the initial service installation.
- Proposed removal of language classifying multiple transformers serving a single large service a single transformer installation.
- Proposed clarification that vehicle access is required for all locations with Company-owned equipment.
- Proposed multiple revisions to customer's responsibilities and CL&P's responsibilities.
- Proposed clarifications that CL&P will hold capacity only when a service at the specific location already exists.

NB-10 – Electric Supply and Service to Commercial/Industrial Customers

- Proposed removing direct buried as an option for electric supply and service to commercial and industrial customers.
- Proposed removing language section providing 400 feet of cable in a loop situation.
- Proposed clarification that customer pays full cost for all other facilities on private property.
- Proposed clarification that no crossing poles are free for commercial customers.
- Proposed clarification to vehicle access requirements.
- Proposed revisions to single and multiple meter installations.

- Proposed clarification that all customer installed equipment on private property will remain the customer's responsibility to repair and replace.
- Proposed clarification that if one than one transformer is needed the customer will be billed for additional equipment.
- Proposed clarification that the customer only furnishes, installs, and maintains conductors on the load side.
- Proposed modification providing that if transformer needs to be replaced due to increased load, but not service size, then it is free unless outside working hours.
- Proposed clarification that customer will pay for extra equipment needed for power factor compensation.

NB-21 – Electric Distribution to Residential Developments

- Proposed removing the use of 26 lots as the determining factor if a customer is required to loop feed the development they are installing. Current Eversource standards will now be the determining factor.

NB-150 – Installation and Maintenance of Customer-Owned Equipment

- Proposed update to policy to inform customers that CL&P will not be entering into new agreements to operate customer-owned equipment and that new services and changes to existing services require the installation of Company owned and operated equipment.
- Proposed language change to clarify that the requesting customer is responsible for any costs/notifications associated with any other customer affected by the outage they have requested.

NB-200 – Street and Security Lighting

- Proposed removing private property permits as an option to authorize the setting of poles for street lighting on private property.
- Proposed removing high pressure sodium and metal halide as fixtures choices for new installations.
- Proposed update to Exhibit B unit charges and inclusion of note that costs are subject to change.
- Proposed change to the wording around NB-2 charges.

NB-208 – Municipal Lighting

- Proposed clarification to the meaning of specifically defined geographic installation area of the municipality.
- Proposed revision to add light emitting diode as a type of light.
- Proposed update to Exhibit B unit charges.

VI. CONCLUSION

Q. Does this conclude your testimony?

A. Yes.