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

DIRECT TESTIMONY OF

JESS CAIN, JARED A. LAWRENCE, AND ANDREW C. BELDEN

Customer Service & Affordability

On behalf of

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

July 14, 2026

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JESS CAIN, JARED A. LAWRENCE, AND ANDREW C. BELDEN

I. INTRODUCTION

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

A. My name is Jess Cain. My business address is 107 Selden Street, Berlin, Connecticut.

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

A. I am the Vice President, Customer Operations and Assistance Programs for Eversource Energy Services Company ("ESC"). ESC provides centralized services to the electric and natural gas operating subsidiaries of Eversource Energy ("Eversource"), including The Connecticut Light and Power Company d/b/a Eversource Energy ("CL&P" or the "Company") and Yankee Gas Services Company d/b/a Eversource Energy ("Yankee"), both operating in Connecticut.

Q. What are your principal responsibilities in this position?

A. In this role, I have overall responsibility for customer meter reading, billing, collections, low-income discount rates and assistance programs in Connecticut, Massachusetts, and New Hampshire. In this proceeding, I am testifying on behalf of CL&P.

Q. Please describe your educational background and professional experience.

A. I have 30 years of experience in the energy industry across North America delivering on customer strategy, operations, customer experience design, project management, and technology design, build, and implementations. I joined Northeast Utilities as the Director, Enterprise Strategy in 2007. In that role, I led the advanced metering infrastructure ("AMI") strategy and dynamic pricing customer pilot. Prior to joining Northeast Utilities, I held various leadership roles within NSTAR Electric Company d/b/a Eversource Energy ("NSTAR Electric") and NSTAR Gas Company d/b/a Eversource Energy ("NSTAR Gas") (together, "NSTAR Electric & Gas Co."), The Structure Group, and Accenture. At NSTAR Electric & Gas Co., I was the IT Director responsible for Customer and Energy Supply areas. I led initiatives on deregulation-related energy market change at various energy companies and independent market operators in California, Texas, Oklahoma, and Canada while at The Structure Group.

In recent years, I have been advocate for, and led initiatives to drive, customer assistance policy, solutions and partnerships that improve identification of low-income customers and streamline access to assistance, I have been a speaker at engagements with the National Association of State Utility Consumer Advocates, the National Association of Regulatory Utility Commissioners, and the White House. I hold a Bachelor of Arts degree in policy studies from Syracuse University, Maxwell School of Citizenship and Public Affairs.

Q. Have you previously testified in formal hearings before a regulatory body?

A. Yes. I have previously testified in proceedings before Connecticut Public Utilities Regulatory Authority ("PURA"). I recently testified in Yankee's general rate case, Docket No. 24-12-01, Application of Yankee Gas Services Company d/b/a Eversource Energy to Amend its Rate Schedules, where I presented customer service and Yankee's proposed low-income discount rate. I have testified on initiatives to support our customers during challenging economic times due to the COVID-19 pandemic in Docket No. 20-03-15, Emergency Petition of William Tong, Attorney General for the State of Connecticut, for a Proceeding to Establish a State of Emergency Utility Shut-Off Moratorium. I have also testified on related topics of energy affordability in Docket No. 17-12-03RE01, PURA Investigation into Distribution System Planning of the Electric Distribution Companies - Energy Affordability, customer arrearage programs in Docket No. 20-07-04, Application of The Connecticut Light and Power Company and Yankee Gas Services Company, each individually d/b/a Eversource Energy, The United Illuminating Company, Connecticut Natural Gas Corporation, and The Southern Connecticut Gas Company for Approval of Arrearage Forgiveness Program 2020-2021, and the electric low-income discount rate in Docket No. 17-12-03RE11, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review, among others. I have also sponsored testimony before the Massachusetts Department of Public Utilities (the "MDPU") in D.P.U. 21-80 for NSTAR Electric's Grid Modernization Plan.

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

A. My name is Jared A. Lawrence. My business address is 107 Selden Street, Berlin, Connecticut.

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

I am Senior Vice President of Customer Operations and Digital Strategy and Chief Customer Officer for ESC.

Q. What are your principal responsibilities in this position?

A. I am responsible for customer contact operations, billing, payment, credit and collections, customer assistance programs, electric meter operations, customer digital channel strategy and execution, customer satisfaction and Voice of the Customer programs, and customer experience design for ESC and Eversource Energy affiliated entities, including CL&P and Yankee. I also oversee the business project management offices for the Company's customer information system replacement, NSTAR Electric's AMI project, and CL&P's AMI proposal. In this proceeding, I am testifying on behalf of CL&P.

Q. Please describe your educational background and professional experience.

A. I joined Eversource Energy in my current role on January 3, 2022. Prior to joining Eversource Energy, I was with Duke Energy for nineteen and a half years, during which time I served in a broad range of commercial and utility operations roles. From 2010 to 2022, I led multiple functions within customer operations, including my last

assignment as vice president of meter-to-cash operations for Duke Energy's utility jurisdictions across seven states. I also managed day-to-day customer service functions and cosponsored customer information system projects during my time at Duke Energy.

I graduated from Johns Hopkins University in Baltimore, Maryland, in 1996 with a Bachelor of Science degree in Civil Engineering, and in 2002, I earned a Master of Business Administration degree from Duke University in Durham, North Carolina.

Q. Have you previously testified in formal hearings before a regulatory body?

A. Yes. I have previously testified in proceedings before PURA. I recently testified in Yankee's general rate case, Docket No. 24-12-01, Application of Yankee Gas Services Company d/b/a Eversource Energy to Amend its Rate Schedules, and in CL&P's AMI cost recovery reconsideration within Docket 17-10-46RE04, Application of The Connecticut Light and Power Company dba Eversource Energy to Amend Its Rate Schedules – AMI Cost Recovery. I have sponsored testimony before the MDPU in connection with NSTAR Electric's base distribution rate proceeding in Massachusetts, D.P.U. 22-22, and the NSTAR Gas performance-based ratemaking ("PBR") metrics update proceeding, D.P.U. 24-134. I also participated in the MDPU's technical workshop on AMI. I have provided testimony to the New Hampshire Public Utilities Commission in a proceeding pertaining to billing regulations. I have participated in technical workshops before PURA pertaining to AMI and performance-based

regulation. I have appeared as a witness in AMI cost recovery proceedings in Ohio and participated in technical workshops on resource planning and customer operations topics in North Carolina and South Carolina.

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

A. My name is Andrew C. Belden. My business address is 247 Station Drive, Westwood, MA 02090.

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

I am Vice President, Renewable Programs and Strategy at Eversource Energy Service Company.

Q. What are your principal responsibilities in this position?

A. My present responsibilities include overseeing teams that manage customer solar PV programs across the company's three states as well as the operations and maintenance of 22 solar projects owned by the Company in Massachusetts.

Q. Please describe your educational background and professional experience.

A. I graduated from Cornell University in Ithaca, NY in 2000 with a Bachelor of Science degree in Biological Sciences and received a Master in Energy and Environmental Policy in 2009 from the University of Delaware in Newark, Delaware. I have been employed at Eversource since March 2019. Previously I worked for the Massachusetts Clean Energy Center ("MassCEC") as the Senior Director for Renewable Energy Generation where I oversaw incentive programs for a range of clean energy

technologies. Prior to my employment at MassCEC, I was a consultant providing services to state and local governments related to clean energy policy and programs.

Q. Have you previously testified in formal hearings before a regulatory body?

A. Yes. I have participated in numerous dockets related to renewable energy program design and implementation before PURA. I have also sponsored testimony before the MDPU in support of Eversource's petition for approval of SMART Factors in D.P.U. 20-131 and D.P.U. 21-134. I also provided testimony for the Eversource Solar Expansion Cost Recovery Program filings in D.P.U. 22-133 and D.P.U. 23-114. Additionally, I sponsored testimony for the Eversource Solar Program Cost Adjustment filings in D.P.U. 22-132 and D.P.U. 23-114. I also sponsored testimony for Chapter 77 Solar Program filings in D.P.U. 22-64 and D.P.U. 22-65.

Q. What is the purpose of your testimony?

A. The purpose of our joint testimony is to describe the Company's customer service organization and the Company's customer service-related Standard Filing Requirements ("SFRs"). The testimony also addresses customer affordability and the Company's proposals for a customer Performance Incentive Metric ("PIM") Suite and continuing the fee free program.

Q. Are you presenting any exhibits in support of this joint testimony?

A. Yes. We are presenting the following exhibits in support of this joint testimony:

Exhibit	Purpose
Exhibit CLP-CUSTOMER-1	Testimony of Jess Cain, Jared A. Lawrence, and Andrew C. Belden
Exhibit CLP-CUSTOMER-2	LIDR Scenario Analysis Model
Exhibit CLP-CUSTOMER-3	Motion No. 7 (Annual Joint Arrears Management Plan) at Attachment Joint 09_PROPOSALS to Reduce Arrears, filed jointly with Avangrid and Eversource on June 1, 2026, in Docket No. 26-05-01

Q. How is your joint testimony organized?

A. Section I of this testimony is the introduction. Section II describes the Company's customer service philosophy, its policies, and its organizational breakdown. Section III describes the Company's Affordable Energy Burden Framework. Section IV reviews the Company's programs to help customers. Section V describes proposals to reduce arrears and associated costs. Section VI discusses the Company's proposal for a customer-focused performance incentive metric. Section VII describes the Company's customer service related SFRs, submitted as part of the Company's application in this proceeding. Section VIII describes the Fee-Free credit card payments. Section IX is the conclusion.

II. CUSTOMER SERVICE PHILOSOPHY

Q. What is the Company's philosophy in providing customer service to their electric customers?

A. As a matter of background, Eversource is the largest energy provider in New England,

and it is committed to safety, reliability, and environmental leadership. Eversource is particularly proud of its leadership in driving innovation in customer assistance programs in Connecticut and across the region. Eversource strives to achieve and maintain operational excellence and deliver a frictionless customer experience. Eversource is pursuing a multiplicity of solutions to enhance the ways in which customers interact with the Company, including offering simple and effective ways to pay bills, receive communications, receive assistance, and apply for a variety of energy affordability programs.

The Company's vision for customer service is that customers will receive timely and accurate bills, have the ability to transact and make inquiries across multiple convenient options, receive prompt and efficient responses to inquiries, have options for energy affordability, and overall receive reliable and safe service. It is important to the Company that customers are able to do business with the Company in the manner that they choose and enjoy individualized attention from highly trained individuals.

Q. Please describe the Company's customer organization.

A. Eversource's customer organization provides metering reading, meter operations, customer billing, bill print, remittance, customer assistance programs, revenue assurance and collections, contact center services, and digital customer experience. The organization also administers the voice-of-the-customer programs to understand customer satisfaction and surface opportunities to improve the customer experience.

Q. How does Eversource choose what customer-focused programs or changes to pursue in its daily offerings?

A. At Eversource, the voice of the customer is extremely important, and the Company works proactively to gather data about customer expectations and preferences and then adapts its business to those expectations and preferences. Eversource Energy gathers customer information and research data using multiple tools and from multiple sources. For example, enhanced analytics on Eversource.com provide insight into how customers use Eversource Energy's website and help identify any pain-points within their online journey. Transactional surveys are used to solicit feedback on specific interactions with the Company. Eversource Energy also engages an online community made up of about 4,000 residential and commercial customers, which allows Eversource Energy to test communications messages, website design, transactional design preferences, and other new customer service offerings.

Eversource reviews national customer trends through information provided by national trade associations, such as the Edison Electric Institute. The Company also subscribes to external customer research through J.D. Power, which provides insights on customer perceptions regarding Eversource Energy and other utility providers across the country. Additionally, Eversource conducts its own customer perception surveys, which provide insight into customers' overall perception of Eversource Energy.

Q. What does the data about customer service preferences and expectations indicate?

A. The customer survey data gathered by Eversource Energy shows that customers

increasingly expect to be served in a digital fashion, using the channel of their choice without unnecessary friction points, and they expect a variety of choices. Their expectations of their service providers, including CL&P, are being shaped by the non-utility companies that they do business with. CL&P is highly attentive to customer feedback to ensure we are meeting their evolving expectations as cost-effectively as possible.

Q. How do these inputs impact customer service programs?

A. Based on information that Eversource gathers from its customers, analytics on its existing interfaces, surveys, national customer research, and its regulators, Eversource considers how the customer experience can be improved to deliver the highest level of performance feasible. Eversource has made improvements to its customer outreach and education material, its customer website interfaces, customer-survey processes, and has worked closely with PURA and stakeholders on changes to arrearage programs and promotion of energy affordability.

III. AFFORDABLE ENERGY BURDEN FRAMEWORK

Q. Please provide a brief overview of Connecticut's affordability-focused regulatory activity.

A. The Company's affordability lens in this proceeding is informed by several years of energy affordability regulatory activity, which has been primarily considered in Docket No. 17-12-03RE01, the low-income discount rate ("LIDR Docket"). The Company has been, and continues to be, a key advocate for providing a LIDR, and the Company

has worked collaboratively with the PURA and a broad range of stakeholders to help achieve outcomes that balance discounts for low-income customers with the costs to all Connecticut customers who ultimately pay for them.

On November 1, 2019, in PURA's public forum in Docket No. 17-12-03RE01, the Company became a vocal advocate for customer's affordability needs and strongly advocated for solutions, including proposing that Connecticut needed 1) low-income discount rates[1] and 2) to share[2] with the utilities who the low-income households are. The latter is referred to as "state data-matching". The Company advocated for those two solutions as the most impactful things that could be done to help customers afford their bills. Ultimately, PURA adopted both proposals, and the Company implemented them. As a result, nearly two hundred thousand low-income electric customers now receive the discount rates, winter protection and gain access to arrears forgiveness programs.

In 2022, the Company again advocated for low-income discount rates in the legislature. In this same time period, to support Docket No. 17-12-03RE01 LIDR scenario analysis and to assist key stakeholders and PURA in easily conducting analysis of LIDR scenarios, the Company also created working LIDR model that informed the outcome.

[1] Approximately a dozen states offer low-income discount rates, including all three that the Company operates in.

[2] At the time, only the state of Massachusetts was sharing low-income customer information with utilities and their decades-mature process and results identified and automatically assisted many more customers by providing discount rates, winter protection, and access to arrears forgiveness programs without the customer needing to take additional action.

The stakeholder process was thorough, inclusive, and constructive. It featured active engagement from numerous parties, including the National Consumer Law Center ("NCLC"), expert witnesses such as Charlie Harak and John Howat on behalf of the Office of Education, Outreach, and Enforcement ("EOE"), and other consumer advocates.

In parallel, the Company was supported by leadership from PURA's EOE and Office of Consumer Counsel in engaging and partnering with Connecticut's Department of Social Services ("DSS"). DSS determined the household income eligibility tiers using public benefits program insight, and the Company actively advocated for and supported that process. In addition, DSS identifies households that receive means-tested program benefits ("benefit recipients") and automatically identified by DSS and shared with the Company on a monthly basis. So, customers automatically identified by DSS don't need to take any additional action to receive the LIDR, winter protection and gain access to the arrears forgiveness program. State data-matching has been highly impactful in helping identify and provide affordable bills to low-income customers. As a result of Connecticut adopting the Company's proposal to implement state data-matching with utilities to automatically identify low-income customers, the number of low-income households identified doubled, from approximately 100,00 to nearly 200,000.

The process has been collaborative and yielded a well-considered, balanced result –

one that the Company actively supported and helped to shape.

Q. Is there an established affordable energy burden framework in Connecticut?

A. Yes. In PURA's 2019 Interim Grid Mod Decision, PURA noted that some of the state's lower income residents spent more than six percent of their household income on energy bills, and that six percent is "the commonly accepted metric for determining energy affordability."[3]

PURA's October 19, 2022 Decision in Docket No. 17-12-03RE11, adopted a target that "enables residential customers to spend no more than six percent of their household income on building energy costs."[4] PURA reaffirmed this target in its subsequent Decision dated November 20, 2024, in Docket No. 17-12-03RE11, stating that an objective was to "achieve energy affordability, as defined by the allocation of no more than 6 percent of annual household income spent on building energy costs."[5] PURA and key stakeholders have also distinguished between electric heating and non-electric heating customers and differentiated an energy burden target of 6 percent for electric heating customers and 4 percent for non-electric heating customers. This reflects the position advanced in testimony by Charles Harak on behalf of EOE in Docket No. 17-12-03-RE11. Testimony by John Howat also suggested that the Low-Income Discount

3 Decision dated October 2, 2019, in Docket No. 17-12-03, PURA Investigation Into Distribution System Planning of the Electric Distribution Companies, at 9.

4 Decision dated October 19, 2022, in Docket No. 17-12-03RE11, PURA Investigation Into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review, at 9.

5 Decision dated November 20, 2024, in Docket No. 17-12-03RE11, at 5.

Rate ("LIDR") be designed to achieve target energy burden of 5 percent for all participants, or 4 percent for non-heating customers and 6 percent for electric heating customers. In the 2022 LIDR Decision,[6] PURA used a sensitivity analysis and set a 'target' average monthly electric bill amount based on varying household income levels and on a targeted energy burden range of 4 to 6 percent. In PURA's 2024 review of the electric LIDR structure, the OCC conducted an energy burden analysis using 4 percent and 6 percent and ultimately utilized a 6 percent energy burden in making recommendations.[7] Similarly, EOE noted that the 6 percent energy burden goal is based on a customer's total energy burden.[8]

Q. How much do Connecticut residents pay for energy compared to the rest of the nation?

A. PURA has previously noted that affordability may best be viewed through a focus on expenditures per capita, rather than the electric rate in isolation.

> "While electric rates provide part of the equation, perhaps a more telling indicator of relative energy affordability – especially within the New England region – is average customer expenditures on electricity and energy bills. Using energy expenditures per capita as the metric, **Connecticut is 24th in average affordability, in large part due to the success of the State's energy efficiency programs**."[9]

At the time of the 2019 Interim Grid Mod Decision, Connecticut residents paid the 24th

6 Decision dated October 19, 2022, in Docket No. 17-12-03RE11, at 20.

7 OCC's Brief dated October 7, 2024, in Docket No. 17-12-03RE11, at 6 and 22.

8 EOE's Brief dated October 7, 2024, in Docket No. 17-12-03RE11, at 4.

9 Decision dated October 2, 2019, in Docket No. 17-12-03, at 9.

least amount per person for energy out of 50 states plus the District of Columbia.[10] Current data continues to place Connecticut as firmly average, with **Connecticut residents paying the 25th least amount per person for energy** out of 50 states plus the District of Columbia.[11] Thus while affordability is always top of mind for PURA and the Company, Connecticut's energy affordability positioning is considerably more complex and nuanced than the total electric rate on its own would imply. Indeed, as discussed in more detail below, even the highest-earning of low-income customers in Connecticut do not currently need a discount to achieve the 6 percent affordable energy burden target. The Company's PBR expert witness testimony, Exhibit CLP-PBR-1, also provides analysis that indicates that CL&P's capital-related costs and total costs on a per-customer basis have consistently remained below the industry average. Further, as described in the Affordability Panel testimony, Exhibit CLP-IAP-1, the overall concept of energy affordability at large requires calibration of utility investment at the level and pace that delivers all customers value at a reasonable cost, and CL&P's proposed level of investment in this proceeding optimizes these considerations.

Q. Does Connecticut's LIDR framework consider the costs to all customers to fund the discount?

A. Yes. PURA adopted an annual LIDR budgetary cost cap target and modified the LIDR structure from two to five tiers in the November 20, 2024, Decision in Docket 17-12-

10 Decision dated October 2, 2019, in Docket No. 17-12-03, at 9, fn. 8.

11 See "Connecticut total energy expenditures per capita, 2023," Connecticut State Profile and Energy Estimates, U.S. Energy Information Administration, (https://www.eia.gov/state/rankings/?sid=CT#series/225).

03RE11, stating at page 19:

> "…*[PURA] determines that* ***a budgetary target is an appropriate cost containment measure****. . . . As such,* ***[PURA] hereby adopts an annual LIDR budgetary target of 2% of each EDCs' annual billed revenue****. . . . [PURA] also agrees that the implementation of a budgetary target with a deadband will more clearly signal when regulatory review is warranted. Consequently, [PURA] directs the Companies to submit for review and approval a notification if the EDC's total budget for LIDR in a given year exceeds 2.1% of the EDC's annual total revenues…*"

The OCC provided support[12] for a LIDR budget target, stating [emphasis added]:

> "***OCC supports implementation of a reasonable budget target*** *for this program, which would not operate to stop enrollment or reduce benefits arbitrarily. Having a budget target of 1.5-2% of electric revenue for the electricity LIDR program as was implemented in New York would be a reasonable place to start, but again, OCC recognizes there may be other ways to achieve a similar cost containment goal. Ultimately PURA should* ***ensure that all program parameters are properly evaluated to estimate program cost and that the cost on non-participating ratepayers is reasonable****.*"

Eversource also supported having a LIDR budgetary target [emphasis added]:[13]

> *"...the Company fully supports an LIDR budgetary target, like NY's 2% target.* ***Having a budget target thoughtfully considers and balances the cost to all customers with the benefits to those who need assistance****... In the long-term,*

[12] Docket 17-12-03RE11, OCC Brief at 4 (filed August 19, 2022) stating "OCC supports implementation of a reasonable budget target for this program, which would not operate to stop enrollment or reduce benefits arbitrarily. Having a budget target of 1.5-2% of electric revenue for the electricity LIDR program as was implemented in New York would be a reasonable place to start, but again, OCC recognizes there may be other ways to achieve a similar cost containment goal. Ultimately PURA should ensure that all program parameters are properly evaluated to estimate program cost and that the cost on non-participating ratepayers is reasonable" *available at*: https://www.dpuc.state.ct.us/2nddockcurr.nsf/8e6fc37a54110e3e852576190052b64d/1f876af4936c2423852588a3005ba573/$FILE/OCC%20Brief%20171203RE11_8.19.22.pdf .

[13] Docket 17-12-03RE11, Eversource Comments at 10 (filed March 2024) stating, " . . . the Company fully supports an LIDR budgetary target, like NY's 2% target. Having a budget target thoughtfully considers and balances the cost to all customers with the benefits to those who need assistance. . . . In the long-term, with more time and key stakeholder collaborations, additional LIDR tiers to meet a budget target will best balance the cost impact to all customers to pay for the LIDR program with the benefits to financial hardship customers who benefit from it."

with more time and key stakeholder collaborations, ***additional LIDR tiers to meet a budget target will best balance the cost impact to all customers to pay for the LIDR program with the benefits to financial hardship customers who benefit from it****."*

PURA's EOE also supported having a budgetary target to balance the costs of LIDR to all ratepayers with the benefits of LIDR for low-income customers.

Q. How does Connecticut's Low-Income Discount Rate support affordable energy burden targets?

A. PURA's November 20, 2024, Decision in Docket No. 17-12-03RE11 established the current five-tiered LIDR structure with discounts of 5%, 10%, 20%, 40% or 50% off the total bill, which the Company implemented in mid-2025. The five-tiered structure replaced the first[14] LIDR implemented in December 2023, which was two-tiered and provided either a 10% or 50% discount.

The creation of five LIDR tiers in 2025 was beneficial in multiple ways. While each LIDR structure supported discount rates for all electric low-income[15] customers and varied based on household income levels. First, it provides a ladder for discount percentages to change gradually over time based on changes in a low-income customer's household income. Second, more tiers enable differentiation among low-income customers based on energy burden targets – to provide the greatest discounts for those who need the most assistance and provide less to those who need less

[14] PURA initially established the two-tiered LIDR in its October 19, 2022, Decision.

[15] Customers are designated as "low-income" with proof of household income below 60 percent of state median income.

assistance. Last, but not least, Connecticut's transition to the five-tiered LIDR avoided significant additional annual cost that would have been introduced following the implementation of full data-matching between the Company and DSS. The DSS analysis determined that a significantly larger number of customers would be eligible for the 50% discount (in the two-tiered structure) than had been anticipated and the associated cost impact of LIDR paid for by all ratepayers would have been significant. The Company raised this promptly with PURA and key stakeholders and re-proposed the five-tiered New Hampshire LIDR model that the Company and PURA's EOE's expert witnesses (National Consumer Law Center and John Howatt) had initially advocated for. Ultimately, this five-tiered electric LIDR is the solution and structure in place today.

In 2025, State Median Income ("SMI") for a two-person household was $104,101, and accordingly the entry-level LIDR discount was given to two-person households making up to $62,460; SMI for a four-person household was $153,091, and an entry-level LIDR discount was given to four-person households making up to $91,854. Lower household incomes qualified for higher discounts, as determined by PURA in the five-tier LIDR Decision, which is designed by Federal Poverty Level ("FPL")[16]:

[16] Decision dated November 20, 2024, in Docket No. 17-12-03RE11, at 13.

Tier	Discount
1	*212% – 275% FPL, Up to 60% SMI*
	5%
2	*161% – 211% FPL*
	15%
3	*126% – 160% FPL*
	20%
4	*101% – 125% FPL*
	40%
5	*Up to 100% FPL*
	50%

Q. Does the Company recommend an updated analysis of LIDR ?

A. Yes. It is top-of-mind for the Company to consider how the average total monthly bill impacts customer affordability. The Company recognizes that as an outcome of this rate case customer bills will be increasing and aims to proactively ensure low-income customers are still provided what has been deemed an affordable bill based on target energy burden supporting varying household income levels. For this reason, the Company provides energy burden and LIDR analysis and insight below, along with the corresponding working LIDR scenario analysis model spreadsheet, as Exhibit CLP-CUSTOMER-2, for key stakeholders to understand key assumptions and model alternative LIDR scenarios to best support our customers. The Company is proposing that the LIDR should be updated as an outcome of this proceeding to more equitably assist more customers so they can receive what has been deemed an affordable electric bill. To assist stakeholders, the Company provides below three modeled LIDR scenarios, including: 1) current state; 2) alternative to solve for 6% energy burden target and 3) proposed strawman that solves for 6% energy burden target and incorporates a

5% minimum discount floor.

Current LIDR (scenario 1) is modeled in Table 1: Current LIDR Insight below using the current LIDR discount percentages with energy burden analysis. This scenario uses the *current* electric LIDR discount percentages and 2025 customer billing and usage data.

Table 1: Current LIDR Insight

Electric LIDR Impact Analysis (Illustrative)
Current 5-Tiers (2025 Data)

	LIDR Household Income Eligibility					
LIDR Tier	1	2	3	4	5	**TOTAL**
# LI Electric Customers	20,247	60,452	68,828	4,284	43,508	197,319
Mo. Avg. Resi Bill (Undiscounted)	$209					
Total Bill Discount	**5%**	**15%**	**20%**	**40%**	**50%**	
Discount Amount (AVG)	$10	$31	$42	$84	$104	
Total after Discount (AVG.)	$198	$178	$167	$125	$104	
Energy Burden (as % of HH Income)	**4.5%**	**5.3%**	**6.5%**	**6.2%**	**11.6%**	

In this current LIDR scenario, the cost to fund the LIDR would be approximately $92 million, which is 1.9% of total 2025 billed revenue, which is less than the annual budgetary cost cap target. It would cost the average residential customer approximately $3.17 a month. However, this LIDR solution does *not* achieve the six percent energy burden target for all LIDR tiers. In fact, the largest affordability gap with the current LIDR discount percentages is for the lowest-income, low-income customers (in Tier 5) whose energy burden *with their 50% discount* results in an energy burden of nearly double the 6% target, at approximately 12%. The Company proposes that this can and should be addressed by modifying the LIDR in a few ways that include increasing the

discount for the lowest income low-income tier customers.

The second LIDR scenario analysis is provided below in Table 2: Alternative LIDR Impact Analysis. This LIDR scenario provides more assistance[17] to those who need more to achieve the six percent energy burden target for each tier.

Table 2: Alternative LIDR Impact Analysis

Electric LIDR Impact Analysis (Illustrative)
Alternative to 6% Energy Burden (2025 Data)

	Electric LIDR Household Income Eligibility					
LIDR Tier	1	2	3	4	5	**TOTAL**
# LI Electric Customers	20,247	60,452	68,828	4,284	43,508	197,319
Mo. Avg. Resi Bill (Undiscounted)	$209					
Total Bill Discount	**0%**	**5%**	**26%**	**42%**	**74%**	
Discount Amount (AVG)	$0	$10	$54	$88	$155	
Total after Discount (AVG.)	$209	$198	$155	$121	$54	
Energy Burden (as % of HH Income)	**4.8%**	**5.9%**	**6.0%**	**5.9%**	**6.0%**	

The annual cost to fund this LIDR scenario is approximately 2.2% ($106 million) of total 2025 billed revenue and would cost the average residential customer approximately $3.68 a month, which is about fifty cents more than the Table 1: Current LIDR Insight scenario above. The Company continues to support[18] having a LIDR for *all* low-income household tier, including customers with household incomes in LIDR Tiers who have an energy burden below six percent without a discount. For example,

[17] The higher discount for the lowest household income low-income customers is consistent with the Company's proposals in Docket No. 17-12-03RE11.

[18] This is consistent with the Company's recommendations in the gas tiered LIDR Docket No. 26-02-06, in which the Company proposes that in LIDR Tiers that do not need a discount to achieve the affordable energy burden targets, a minimum 5% discount "floor" should be provided.

the highest income, low-income customers in the analysis above reach a 4.8% household energy burden without a discount.

The final LIDR scenario 3 is the Company's strawman proposal is provided below in Table 3: Proposed LIDR Strawman. Like LIDR scenario 2, this LIDR scenario *also* provides more assistance to those who need more to achieve the six percent energy burden target for each tier. In addition, this proposed scenario addresses the highest income, low-income customer Tier 1 by continuing to provide a 5% minimum LIDR discount percentage, so all low-income household tiers receive a discount.

Table 3: Proposed LIDR Strawman

Electric LIDR Impact Analysis (Illustrative)
Proposed Strawman to 6% Energy Burden and Minimum 5% Discount (2025 Data)

	Electric LIDR Household Income Eligibility					
LIDR Tier	1	2	3	4	5	**TOTAL**
# LI Electric Customers	20,247	60,452	68,828	4,284	43,508	197,319
Mo. Avg. Resi Bill (Undiscounted)	$209					
Total Bill Discount	**5%**	**5%**	**26%**	**42%**	**74%**	
Discount Amount (AVG)	$10	$10	$54	$88	$155	
Total after Discount (AVG.)	$198	$198	$155	$121	$54	
Energy Burden (as % of HH Income)	**4.5%**	**5.9%**	**6.0%**	**5.9%**	**6.0%**	

Similar to LIDR scenario 2, the annual cost to fund Proposed LIDR Strawman scenario is also approximately 2.2% ($108 million) of total 2025 billed revenue and would cost the average residential customer approximately $3.75 a month. This scenario provides the LIDR percentage discount to each household income tier to meet a target energy burden of six percent. However, it exceeds the current annual 2% LIDR budgetary cost cap target, which PURA and key stakeholders would need to consider recalibrating.

Ultimately, there are several LIDR alternatives that could more equitably assist low-income customers, several key unknowns at this time and no perfect answer. Yet, Connecticut's LIDR framework strikes the right balance to meaningfully consider both the benefits to some and costs to all. With this context, the Company looks forward to engaging with key stakeholders to conduct additional LIDR scenario analysis to support energy affordability for our Connecticut customers. Indeed, the LIDR framework provides opportunity for PURA to make active choices through continuous review and revision when needed.

Q. Does the Company view Connecticut's electric LIDR framework as striking the appropriate balance?

Yes. The Connecticut LIDR framework is a model for other states to follow. The LIDR framework provides more of a discount for those who need more assistance and less for those who need less based on household income. The LIDR does not have a draconian budgetary cap. Rather, the LIDR budgetary target with a deadband is designed to trigger utilities to report and file analysis for PURA review. This strikes an appropriate balance, ensuring that low-income customers receive bills that are deemed affordable while balancing the cost ultimately paid by all customers to fund the LIDR.

IV. CUSTOMER PROGRAMS TO HELP

Q. Does the Company offer assistance for customers experiencing difficulty paying their electric bills?

A. Yes. All active customers may qualify for payment plans to spread repayment of

arrears over an extended period, reducing the immediate financial burden of a large past-due amount.

In addition, and by statute, six months a year, from November 1 through May 1, residential hardship[19] customers receive service protection from disconnection and late payment charges are waived. This period is Connecticut's "Winter Protection" period. In addition, service is protected year-round for residential customers of all income levels who have a medical "life-threatening" certification.

Last, but not least, the Matching Payment Program ("MPP") is an arrears-management program designed to help eligible low-income customers reduce their past-due balance by making timely payments. Under the MPP, for every dollar paid toward a customer's past-due balance, a corresponding matching credit will be applied to the payment on a dollar-for-dollar basis, to reduce the outstanding amount owed. The Company twice annually auto-enrolls all eligible low-income customers into the MPP.

Q. Does the Company offer energy efficiency programs that can further reduce costs for low-income customers?

A. Yes. The Company is a sponsor of Energize CT, a statewide initiative dedicated to helping Connecticut residents and businesses make smart energy choices, reduce energy consumption, and save money. Among the programs available to income-qualified customers is the Home Energy Solutions – Income Eligible ("HES-IE")

[19] The "Hardship" designation includes customers with a verified financial hardship (low-income) and those with a medical certification.

program, which offers free or very-low-cost home energy assessments for qualifying households. Program benefits include air sealing, weatherization, LED lighting, water-saving devices, and recommendations for larger upgrades. Many income-eligible customers also qualify for heavily subsidized insulation and other efficiency improvements.

Q. Does the Company offer solar programs that can further reduce costs for customers?

A. Solar programs such as the Shared Clean Energy Facility ("SCEF") program and Residential Renewable Energy Solutions ("RRES") program, contribute to lowering costs for participating customers. Specifically, the SCEF program is a nation-leading community solar initiative that is designed to maximize benefits for customers most in need of assistance while minimizing overall ratepayer costs. Core elements of the SCEF program have been adopted in both Massachusetts and New Hampshire as efficient and effective means of providing assistance to customers most in need of solar benefits.

The RRES program has also had notable success in supporting underserved populations. In 2025, nearly a quarter of residential solar installations in Eversource territory were either in state designated distressed municipalities or served income-eligible customers.

V. PROPOSALS TO REDUCE ARREARS AND ASSOCIATED COSTS

Q. Does the Company have proposals to reduce the costs of arrears which are ultimately paid for by all customers?

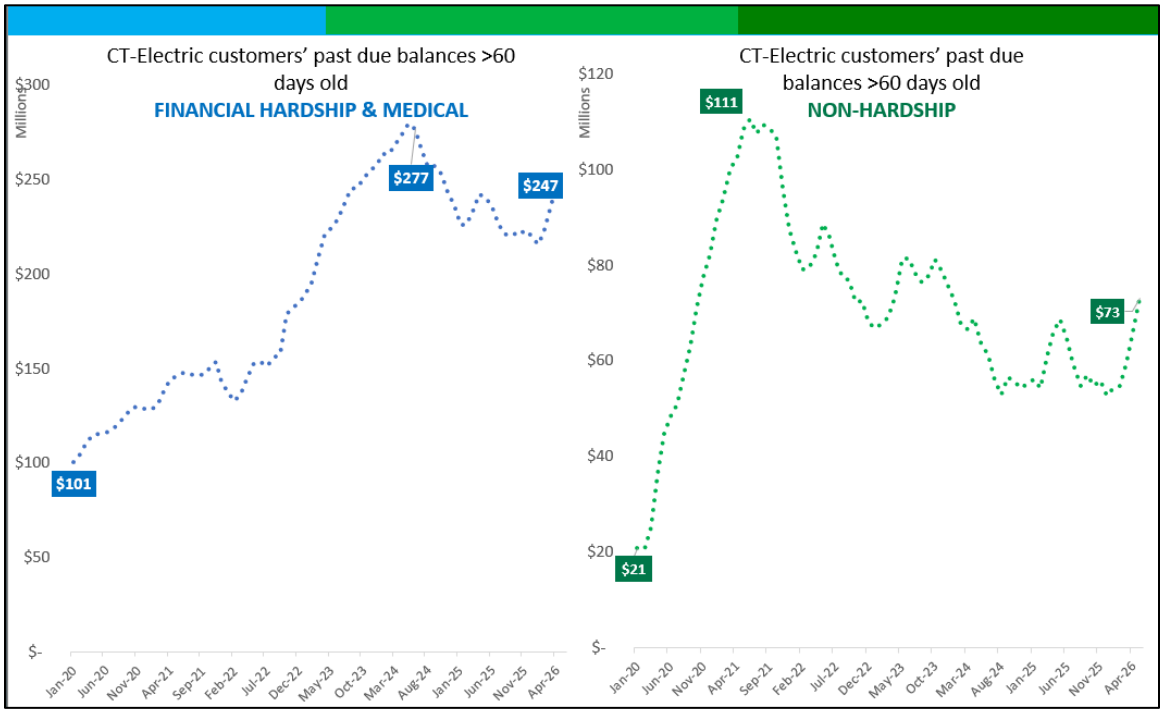
A. Yes. The Company has proposed and continues to propose a number of changes that will reduce arrears, and ultimately the cost of uncollectibles. For the last three years in PURA's annual energy affordability assistance and arrears management proceedings, CL&P along with other Connecticut electric and gas utilities has submitted clear insight into recent changes made that are negatively impacting arrears and proposals to help reduce arrears which will help support affordability for all customers. Please refer to Exhibit CLP-CUSTOMER-3, which is a copy of Motion No. 7 (Annual Joint Arrears Management Plan) at Attachment Joint 09_PROPOSALS to Reduce Arrears, filed jointly with Avangrid and Eversource on June 1, 2026, in Docket No. 26-05-01, Annual Review of Affordability Programs and Offerings. Reversing such decisions made in recent years would allow the Companies to resume more of the tried-and-true collections practices that are important and valuable to meaningfully reduce the cost of unpaid bills that are ultimately passed on to all Connecticut customers.

Q. Does the Company have any data about the impact of allowing outstanding customer balances to grow?

A. Yes. Allowing arrears balances to grow is not a sound affordability strategy. Customers carrying large past-due balances are less likely to be able to resolve those balances, and the costs associated with uncollectible accounts are ultimately paid for by all ratepayers, thereby increasing rates for the broader customer base.

Q. What are current arrears levels, and what do they tell you?

A. Arrears levels are another key area of concern because recent analysis shows that CL&P's arrears are now on average 142% higher than they were in January 2020. This is reflected in the chart below, as filed on June 1, 2026, in Docket No. 26-05-01 in the 2026-2027 Joint Arrears Management Plan by Avangrid and Eversource, as required by Conn. Gen. Stat. § 16-262c(b)(4)(e). As described within the plan, by customer segment, hardship customers have 133% higher arrears balance, and non-hardship customers have 186% higher arrears balance. From 2025 to 2026, arrears balance levels remained relatively flat. Eversource attributes the change from pre-COVID to present day arrears levels primarily to PURA's directives and orders implemented in the 2021-2024 timeframe that restricted collections and reduced customer payments for customers who were behind on their bills. Most notably, PURA's four-and-a-half year pandemic moratorium on collections for customers with a financial hardship or a medical protection (including those without a financial hardship) was one of longest in the nation and drove financial hardship and medical customer past due balances to the peak of $277 million, before the Company was allowed to resume collections on hardship customers in May 2024, as reflected in the graph on the left. For non-hardship customers, PURA allowed the Company to resume collections later than most states in May 2021, which immediately started reducing arrears as reflected in the graph on the right.



Q. Who ultimately pays for the cost of these arrears?

A. If a customer pays their past due balance, then the customer pays for their own energy costs. However, when their bill remains unpaid, ultimately all customers pay those energy costs. Because all customers pay the cost of uncollectible bills, efforts to decrease those costs help make all customers' bills more affordable.

Q. Are arrears management programs designed to be used as an affordability gap-closing mechanism?

A. No. Payment plans, including the MPP, are arrears-management programs, not an ongoing affordability mechanism. Notably, the OCC has opined[20] that:

[20] See OCC Comments July 23, 2025, in Docket No. 25-05-01, at 4-5.

> *"If the bill is not affordable, then any* ***unaffordability needs to be addressed in the LIDR docket*** *to determine that the LIDR is meeting its goals.*
>
> *MPP and payment plans should not excuse payments or attempt to create a lower bill than the LIDR discounts.* ***Addressing affordability through payment arrangements undermines the LIDR and ultimately harms all ratepayers****." (citations omitted).*

In other words, to the extent that energy bills are unaffordable for lower-income households in Connecticut, the LIDR can be adjusted to reach the target energy burden, while balancing the LIDR budgetary cost target. The goal of a sound affordability framework as reflected in the LIDR energy burden design is to ensure that customers receive a bill they can afford to pay on an ongoing basis, not to perpetually forgive unpaid balances. The MPP plays a complementary but distinct role in the Company's ability to assist low-income customers.

Q. Would bringing down arrears help address customers' cost concerns?

A. Yes. Bringing down arrears will ultimately translate into lower uncollectibles through multiple rate components. The Company urges PURA to use this proceeding to strike balance in supporting discount rates for those who need them to achieve Connecticut's target energy burden and at the same time allow collection of payment on those bills by adopting its proposed modifications as reflected in Exhibit CLP-CUSTOMER-3.[21]

[21] Also filed June 1, 2026, in Docket No. 26-05-01 as Motion No. 7 (Annual Joint Arrears Management Plan) at Joint 09 PROPOSALS to Reduce Arrears, filed jointly with Avangrid and Eversource.

Q. If the Company's proposals to reduce arrears are approved, would the Company commit to a related Performance Incentive Metric?

A. Yes.

VI. CUSTOMER-FOCUSED PERFORMANCE INCENTIVE METRIC

Q. Please identify the Company's proposed metrics for assessing customer service during the Performance-Based Multi-Year Rate Plan ("PBMRP") term.

A. As discussed above Eversource strives to achieve and maintain operational excellence and deliver a frictionless customer experience. It is important to the Company that customers are able to do business with the Company in the manner that they choose and enjoy individualized attention from highly trained individuals.

To promote transparency and ensure that the Company continues its successful enhancements to improve customer interactions during the PBMRP term, the Company is proposing to track and report on five metrics that comprise a Customer Performance Incentive Metric ("PIM") Suite. Since customer engagement takes many forms due to the variety of services offered by the Company and individual customer needs, the Company proposes assessing customer service in a more comprehensive manner. The Customer PIM Suite is intended to measure Company's success in providing a positive customer experience to its breadth of customers, including customers that produce or consume energy. The proposed components of the Customer PIM Suite represent an array of interactions that can be quantifiably measured and are generally within the Company's control consistent with the principles for well-designed performance

metrics discussed in the Leadership Panel testimony. The Customer PIM Suite includes the following metrics:

- Level 1 DER Interconnection Processing
- Digital Customer Engagement
- Controllable Average Call Handle Time
- Post Transaction Survey – Customer Service Representative Attributes
- Discount Rate Average Time to Enrollment

Each of these suite components is discussed in more detail below but collectively measure the Company's overall success in improving customer service during the PBMRP term. The Company has historically provided a high-level of customer service, accordingly, maintaining and improving upon historic baselines will be challenging and require cost-efficient investment of resources to achieve the enhancements. In recognition of this dynamic, the Company proposes an asymmetrical, bi-directional PIM that penalizes the Company for failing to meet performance targets during the PBMRP term but also provides an incentive for exemplary enhancements to customer service.

In addition to the Customer PIM Suite, the Company also proposes to report on customer receivables greater than 60 days. This reporting metric is designed to provide transparency into the level of customer arrearages.

Q. How does the Customer PIM Suite complement and support the Company's PBMRP?

A. The implementation of meaningful PBR metrics simply furthers the transparency and effectiveness of the PBMRP. Performance metrics provide the Company with the focused objective of creating benefits and value for customers through the targeted achievement of specific goals and outcomes. A well-designed PBR metric encourages the Company to achieve specific goals that go above and beyond the efficient delivery of core business operations.

As discussed above, the Company is particularly proud of its leadership in driving innovation in customer assistance programs in Connecticut. Eversource strives to achieve and maintain operational excellence and deliver a frictionless customer experience. At Eversource, the voice of the customer is extremely important, and the Company works proactively to gather data about customer expectations and preferences and then adapts its business to those expectations and preferences. The Company is seeking to enhance its digital engagement and reduce barriers to enhance the customer experience.

The Customer PIM Suite includes discrete components that represent a variety of customer engagement points and that together can provide a holistic, quantitative assessment of the Company's customer service.

Beyond the customer service experience, the Company recognizes that energy affordability is a key concern for customers and, as discussed above, the Company has

worked with stakeholders to identify opportunities to address affordability concerns. One example is the implementation of the LIDR which seeks to balance affordability for low-income customers and the costs borne by all other customers to support such discount rates. Reducing arrearages and ultimately the cost of uncollectibles assessed to all customers is another way to address affordability. While customer arrearages are not within the Company's complete control, the Company proposes a reporting metric designed to provide transparency on non-hardship, customer receivables greater than 60 days which may provide data related to the impact of policies regarding collections on arrearages.

Q. Please describe the Level 1 DER Interconnection Processing component of the Customer PIM Suite.

A. The Level 1 DER Interconnection Processing component measures the average number of business days for the Company to process DER interconnection applications specific to key pre-construction and post-construction milestones with the Company's direct control. Specifically, the Company proposes to track and report the number of days from (1) the receipt of a complete DER interconnection application to conditional approval by the Company, and (2) the completion of the municipal inspection of the necessary facilities to the Company issuing the Permission to Operate to the DER interconnecting customer.[22]

[22] Due to the complexities for reviewing applications that require significant system modifications, the calculation of the averages will exclude interconnection projects that require electric power system modifications, including, but not limited, the installation of new transformers.

The objective of the Level 1 DER Interconnection Processing component is to incent the Company to reduce the portion of the processing time for DER interconnection that is within the Company's control. Reducing DER interconnection processing time can accelerate timelines for DER customers and facilitate timely deployment of clean energy resources on the electric power system.

Q. What is the proposed Company target for the Level 1 DER Interconnection Processing component of the Customer PIM Suite?

A. The Company proposes a performance target of an annual average of completing the pre-construction and post-construction milestones in less than 35 business days. The proposed target reflects the Company's end-to-end responsibilities in the two key phases and assumes, (i) approximately 20 business days from the receipt of a complete DER interconnection application to the Company's conditional approval and (ii) approximately 15 business days from the municipal inspection of facilities and customer payment of meter fees following construction to the Company issuing a Permission to Operate to the DER interconnecting customer. The proposed target is based on recent historical performance and seeks to balance timely achievement of milestones with the rigor necessary for the Company to complete each task.

Q. Please describe the Digital Customer Engagement component of the Customer PIM Suite.

A. The Digital Customer Engagement component will measure utilization of digital self-service tools to initiate transactions as a percentage of overall customer transactions at the service company level. The Company currently tracks customer web interactions,

Interactive Voice response interactions, alerts delivered by the Company, and two-way text interactions. The Company strives to meet the needs of all its customers on an equal basis and has designed its digital engagement platforms to provide varied ways to meet customer needs and preferences in a cost-efficient manner. To that end, the Company has worked towards the creation of a multilingual digital customer experience and implementation of a preference management system.

Due to the nature of the Company's website and self-service systems, not all digital transactions can be isolated to a specific operating company. Accordingly, to accurately capture the ratio of customer transactions completed through the Company's digital platforms, the Company will report this metric component at the service company level.

Q. What is the proposed Company target for the Digital Customer Engagement component of the Customer PIM Suite?

A. Over the past five years, the percent of customer digital transactions has increased from 88 percent to over 92 percent, with a five-year average of 90.1 percent. For the purpose of this component, the Company proposes to set the performance target at the Company's actual performance in 2025 (i.e., 92.18 percent). This proposed target reflects already high performance that is nearing the performance ceiling. Some customer transactions require interactions with a customer service representative and a portion of the Company's customer base prefers to interact with a customer service representative rather than utilize a digital, self-service platform. Accordingly, the

likely maximum percentage of digital transactions is likely near the level the Company has achieved and there will be limited opportunities to improve upon the proposed target of 92.18 percent.

Q. Please describe the Controllable Average Call Handle Time component of the Customer PIM Suite.

A. For customers that seek to interact with a customer service representative, phone communication is the most common method used. To help enhance this form of customer engagement while minimizing costs, the Company strives to reduce average wait time for customers and maximize agent capacity utilization by minimizing the time a customer service representative spends completing post-call tasks. The Company therefore proposes to measure the average amount of non-phone conversation time associated with customer interactions with customer service representatives via telephone calls. Specifically, the Company will track and report the average number of seconds associated with (1) Hold Duration (i.e., the duration a caller is placed on hold during a telephone call before service resumes), and (2) Call Work Duration (i.e., the time a customer service representative spends completing tasks related to a customer call after the call has ended and before the representative is available for the next activity). The objective of this component is to encourage the Company to reduce hold times and increase the efficiency of post-call tasks without incenting the Company to reduce overall telephone call time which may result in rushed, lower-quality customer interactions.

Q. What is the proposed Company target for the Controllable Average Call Handle Time component of the Customer PIM Suite?

A. Based on the average call handle time between 2020 and 2025, the Company recommends setting the target for the Controllable Average Call Handle Time component of the Customer PIM Suite at an annual average of 76 seconds per telephone call. During the five-years included in the target, average Hold Duration and Call Work Duration ranged between 58.4 seconds and 86.2 seconds annually, with a historic average of 76 seconds.[23]

The Company proposes to compare its actual performance calculated by dividing the sum of the total annual Hold Duration and Call Work Duration by the total number of telephone calls handled.

Q. Please describe the Post Transaction Survey component of the Customer PIM Suite.

A. The Post Transaction Survey component of the Customer PIM Suite is a survey metric that is designed to report on customers' assessments of customer service representatives following a telephone call[24] interaction. Specifically, the surveys seek customer evaluations of four attributes of customer service representatives: (1) courtesy;

[23] The historic average excludes 2024 data for controllable call handle time which was artificially increased due to a vendor-related technical issue. Including 2024 year data would skew the baseline upward and result in a higher target that is less representative of the Company's performance.

[24] Calls related to past due balances or difficulty paying bills are excluded in this reporting.

(2) friendliness; (3) knowledge, and (4) concern for customer needs. The survey uses a 10-point scale.

The objective of the Post Transaction Survey is to incent the Company to ensure its customer service representatives provide a positive customer engagement experience. While the Company cannot always provide customers with their desired result, the Company can strive to train and prepare their customer service representatives to be knowledgeable, courteous, and friendly with customers throughout customer interactions.

Q. What is the proposed Company target for the Post Transaction Survey component of the Customer PIM Suite?

A. The Company proposes to use the actual results of its 2025 surveys as a target for the Post Transaction Survey component of the Customer PIM Suite. Over the past three years, the customer service representative attributes score of the Post Transaction Survey have ranged between 8.36 and 8.43. The couple years proceeding 2023 were skewed due to COVID-19-related procedures and are not representative of the Company's actual customer service process and experience currently in place. Accordingly, the Company proposes to use the highest, most recent score as the target for this PIM component – 8.43.

Q. Please describe the Average Discount Rate Enrollment Time component of the Customer PIM Suite.

A. The Average Discount Rate Enrollment Time metric measures the average number of

business days it takes the Company to enroll an eligible customer in the LIDR following the date customer provides qualifying proof of eligibility. The metric focuses on applications that are manually processed[25] and meet established eligibility criteria, including means-tested (income & household size) eligibility and/or categorical eligibility through participation in qualifying assistance programs (e.g., SNAP, WIC). The PIM component is designed to encourage the Company to reduce the processing time for qualifying customers to access to financial assistance. By tracking and reporting the efficiency of the enrollment process, the Company will demonstrate its commitment to delivering prompt and effective support to low-income customers.

Q. What is the proposed Company target for the Average Discount Rate Enrollment Time component of the Customer PIM Suite?

A. The Company proposes to set a target of an annual average of two business days following the date that the customer provides qualifying proof of eligibility for the discount rate to the completed enrollment of the qualified customer. The Company will calculate the average by dividing the number of days between the enrollment completion date and the qualifying submission by the total number of eligible enrollments in the year. The Company has not historically tracked the data relevant to this metric component and therefore developed the two-business day target based on its recent experience with processing discount rate enrollment applications.

[25] The Company will exclude customers enrolled in LIDR through Community Action Agency or Department of Social Services data matching processes from the calculation of the average enrollment on the discount rate, so the metric component will only assess the actions undertaken by the Company.

Q. Is the Company proposing to attach a penalty or incentive to the Customer PIM Suite?

A. Yes. The Company is proposing to establish a sliding-scale penalty and structure for the Customer PIM Suite. The PIM structure will provide incentive for the Company to continue to build on its already high-level of customer engagement and provide consistent, quality customer service during the PBMRP term, while reducing costs and identifying efficiency opportunities.

Q. What is the maximum penalty or incentive the Company may receive under the Customer PIM Suite?

A. As explained in Exhibit CLP-ELP-1, the Company proposes to base the total penalty pool for PIMs to equal the exogenous cost threshold (i.e., $10 million) and the total incentive pool for PIMs equal to half of the penalty pool (i.e., $5 million). Accordingly, the Company proposes an asymmetrical PIM structure that limits the potential upside reward, and therefore potential costs to customers, while still providing a robust incentive. The Company has proposed to allocate 30 percent of the penalty pool (i.e., $3 million) and 20 percent of the incentive pool (i.e., $2 million) to the Customer PIM Suite, maintaining the asymmetrical PIM structure for the individual PIM.

Q. Please describe how the Company proposes to calculate the potential penalty or incentive for the Customer PIM Suite.

A. As discussed above, the Customer PIM Suite is comprised of five components. The Company's performance for each of the five components will be evaluated against its respective component target and then aggregated to form a composite score. To enable

a comparison of performance and aggregation across the five metric components, which have different target units and directional performance standards, the Company proposes to develop an index score for each metric.

The index score for each component will be calculated based on the percent difference from the target, where the target is 100. For example, if the Company's actual average number of days for the Level 1 DER Interconnection Processing component was 35, the same as the target, its score for that component would be 100. However, if the Company's actual average was 31 (i.e., 4 days better than the target) its score would be 111 (i.e., 11 percent better than the target).[26]

To determine whether the Company will be assessed a penalty or receive an incentive, the Company will calculate a Composite Index reflecting performance for the entire Customer PIM Suite. The Composite Index will be determined by dividing the sum of all the component index scores by five (the number of components). Please see the table below for an illustrative calculation of the Composite Index.

[26] The index score would be calculated by dividing the difference between actual performance and the target performance by the target (e.g., 4/35 = 11%). Since, under the hypothetical example, the Company improved performance by 11%, the index score would be 111.

Table 4: Illustrative Composite Index Calculation

	Performance				Composite Index	Penalty / (Incentive) $K
	Actual	Target	Direction	Index		
1. Level 1 DER Interconnection Processing	31.0	35.0	Down is Good	111		
2. Digital Customer Engagement	92.18%	92.18%	Up is Good	100		
3. Controllable Average Call Handle Time	86.2	76	Down is Good	87		
4. Post Transaction Survey - CSR Attributes	8.43	8.43	Up is Good	100		
5. Average Discount Rate Enrollment Time (Days)	2.5	2.0	Down is Good	75		
Total Score				473	94.6	$0

Under the proposed sliding scale, a penalty will be triggered if the Composite Index is 90 or below. The Company proposes that penalties start at 40 percent of the maximum penalty for the Customer PIM Suite (i.e., $1.2 million) if the Company achieves a Composite Index of 90. The penalty will increase by $360,000 for each additional point below 90 (e.g., if the Composite Index is 88, the penalty will be $1.92 million). The maximum penalty of $3 million will be triggered if the Composite Index is 85 or below.

Similarly, an incentive will be triggered if the Composite Index is 110 or higher. The Company proposes that the incentive level start at 40 percent of the maximum possible incentive for the Customer PIM Suire (i.e., $800,000) if the Company achieves a Composite Index of 110. The incentive will increase by $240,000 for each additional point above 110, up to a maximum incentive of $2 million for a Composite Index of 115 or higher.

If the Composite Index falls between 90 and 110, the Company will have effectively maintained its customer service within a reasonable bandwidth of the targets and therefore no be eligible for a penalty or incentive.

Q. Please describe the Customer Receivables Greater than 60 Days Metric.

A. The Customer Receivables Greater than 60 Days Metric measures the dollar amount of active, non-hardship, receivables greater than 60 days past due, as a percentage of billed revenue over a rolling twelve-month period. As discussed above, the proposed metric will provide transparency into arrears trends, effectiveness of collection activities under regulatory policies governing collections, and the potential cost impact for all customers due to uncollectibles.

Q. How does the Company propose to calculate the Customer Receivables Greater than 60 Days Metric.

A. The Company will calculate the metric by dividing the total receivable balance greater than 60 days (excluding amounts written off and amounts associated with customer hardship classified accounts) by the Company's billed revenue over a 12-month period (lagged by two months to align billing with aged arrears timing).

Q. Is the Company proposing to attach a penalty or incentive to the Customer Receivables Greater than 60 Days Metric?

A. No. The Company does not have direct control over whether a customer pays their electric bill and therefore, the proposed metric is not an appropriate candidate for a penalty or incentive mechanism. Further, PURA has established rules for the collection

of past due accounts and that restrict and govern the Company's ability to collect and perform disconnections for non-payment. Therefore, the Company's opportunities to deploy additional tools to reduce arrears are limited and any such additional tools will need to be balanced with ensuring adequate consumer protections. Instead, the proposed reporting metric is designed to provide transparency and data regarding trends in arrears that may help inform future policies established by PURA regarding collection practices to reduce arrears.

VII. CUSTOMER SERVICE POLICIES AND PROCEDURES

Q. Please briefly describe the Company's customer service SFR schedules.

A. The Company's customer service SFRs submitted in this proceeding are provided in Exhibit CLP-REVREQ-2, the comprehensive SFR exhibit, as Schedule H-2.0. Specifically, the Schedule H-2.0 documents include:

1. Standard Bill Form
2. Termination Notice and Customer Rights Notice
3. Policies and Procedures for Estimating Bills
4. Description of Company's Deposit Requirements (see Customer Service Policies 150 and 350).
5. Hours Service Appointments are Scheduled
6. Rules and Regulations for Service
7. Customer Service Policies

Q. Are the Company's Customer Service Policies up-to-date and accurate?

A. Yes. The Customer Service Policies ("Policies") provided in Exhibit CLP-REVREQ-

2 are up-to-date and accurate. For efficiency and ease of use, the Company has combined the CL&P and Yankee customer service policies into unified policy documents, as the vast majority of customer service policies apply similarly to electric and gas customers. The gas version of these customer service policies were recently reviewed and approved in Yankee's Docket No. 24-12-01, and the combined electric and gas Policies largely track the policies provided in the Yankee Rate Case except where necessary to distinguish for electric and gas services.

Q. What is the definition of a "policy?"

A. The list below identifies the parameters of a policy:

- Set the goal.
- Show the why.
- Establish a deliberate system of guidelines to guide decisions.
- Broad and general applicability.
- Allow for flexibility.
- Standards that apply across time.

Q. How has the Company modified its Customer Service Policies for presentation in this case?

A. As part of this proceeding, the Company is presenting reformatted Policies so that they are consistent with policy scope definition, clearer, and more concise. The Company has also unified electric and gas policy documents where the Policies are essentially

the same or identical between Connecticut electric and gas operating companies. Specifically, the Policies were updated to:

- Reformat preliminary record-keeping fields.
- Consistently reference legislative and regulatory sources.
- Remove un-utilized data fields.
- Remove duplicative content sections.
- Remove *non*-policy content.
- Use plain English (versus legalese), when possible.
- Utilize standard font, margins, header and footer.
- Use bullets instead of long descriptions, when possible.
- Update search terms.
- Avoid describing all possible situations.
- Avoid specificity that is likely to require frequent change.

Q. Has the Company also made substantive changes to its Customer Service Policies?

A. Yes. The Company has made changes to the substance of certain Policies where appropriate. Policies with key changes include:

- 115 [Bill Estimation] – New policy for CL&P but does not indicate a change in processes or practices; combined into existing Yankee Gas bill estimation policy and cross-references estimation procedures. *(Content approved in most recent Yankee Gas Rate Case.)*

- 160 [Customer Confidentiality] – Added two bullets on system access that were not in the recently reviewed Yankee Gas policy, but are applicable to both Yankee Gas and CL&P. Added bullets are: (6) Annually, any user who has not reaffirmed his responsibilities as outlined in the Compliance Statement

will be denied system access. (7) Consistent with the compliance measures outlined in this policy, on an annual basis, local supervision will be responsible for controlling and affirming user access to the Customer Service System. (*Other content approved in most recent Yankee Gas Rate Case.)*

- 260 [Information Available to Customers] – Adjusted the duration in this statement to match that policy for Yankee Gas, moving length of usage and payment history availability from 15 to 18 months. *(Content approved in most recent Yankee Gas Rate Case.)*

- 320 [Privacy Policy - Customer Information to Suppliers] – Added the definition of a Privacy Indicator, which disallows the customer's information from being shared with a third-party electric supplier.

- 370 [Service Disconnection during Extreme Weather] – Modified CL&P policy content about suspension of residential *electric* service disconnections for non-payment during extreme weather, by adding: "when the National Weather Service issues an Extreme Heat Warning for a local area" and "under infrequent extreme weather events, like a hurricane or local wildfire" in place of "on the third and succeeding days, of daily peak temperatures in excess of 95 degrees." Also, removed duplicative content in bullets that conversely stated non-extreme weather disconnection allowances.

- 440 [Notification of Utility Service Terminations at Certain Rental Properties] – New policy for CL&P due to Public Act 23-199. This policy provides guidelines for Commercial property owners notification of termination when subject property gas service/electric service is scheduled for disconnection. *(Content approved in most recent Yankee Gas Rate Case.)*

Q. When will these revised customer service Policies become effective?

A. Consistent with Order No. 4 in Docket No. 14-05-06, Application of The Connecticut Light and Power Company to Amend Rate Schedules, CL&P is required to submit for PURA's approval, any changes to its customer service practices, procedures or policies in writing at least 20 business days prior to the effective date of such changes. Relative to the combined policy documents for CL&P and Yankee, Eversource will also submit the policies for PURA's approval consistent with Order No. 1 in Docket No. 18-05-10,

Application of Yankee Gas Services Company d/b/a Eversource Energy to Amend Its Rate Schedules, requiring changes to Yankee customer service policies to be filed 30 business days prior to the effective date. Accordingly, the Company has prepared the revised Policies to be presented as part of this filing and is also submitting the Policies as compliance in Docket Nos. 14-05-06 and 18-05-10 on this same date to be effective in 30 business days.

VIII. FEE-FREE RESIDENTIAL CREDIT & DEBIT CARD PAYMENTS

Q. What is the Company's current Fee-Free credit and debit card payment structure?

A. Consistent with the 2018 Amended Settlement Agreement and PURA's approval in Docket No. 17-10-46, the Company has implemented a Fee-Free credit and debit card payments ("Fee-Free payments") for residential customers only, allowing them to make payments with credit and debit cards without paying a convenience fee. Fee-Free payments were authorized using deferral treatment, where, based on a comparison of actual total Fee-Free payment costs incurred by the Company to the amount allowed in rates, any over-collection would be credited to customers, and any under-collection would be deferred for recovery in rates at the time of the next rate case. The 2018 Amended Settlement Agreement and the Decision from Docket No. 17-10-46 confirmed that the Fee-Free payments would be reviewed in the Company's next rate case to determine whether Fee-Free payments should continue. See 2018 Amended Settlement Agreement, at Paragraph 3.e. and Decision dated April 18, 2018, in Docket

No. 17-10-46, Application of The Connecticut Light and Power Company dba Eversource Energy to Amend Its Rate Schedules, at 13-14.

Q. What benefits are there to residential customers of fee-free credit and debit card payments?

A. Prior to the availability of fee-free card payments, payment convenience fees accounted for approximately 17 percent or more of customer feedback sentiments in the Company's research. Since implementing the fee-free option, fee-related sentiments have declined to less than 1 percent[27] of customer feedback on improving the bill payment experience. In addition, customer research prior to the implementation of fee-free credit and debit card payments has shown that any additional fee required to pay a utility bill is generally perceived as an added cost of receiving utility service, regardless of whether the fee is assessed by the utility or a third-party payment processor. The implementation of fee-free credit and debit card payments has significantly improved the customer payment experience by removing a long-standing source of customer frustration and dissatisfaction.

Q. Does the Company propose continuing Fee-Free credit and debit card payments?

A. Yes, the Company proposes continuing Fee-Free credit and debit card payments.

Q. How has the Company proposed to recover fee-free costs in this proceeding?

A. As described in the direct testimony of the Revenue Requirements Panel, Exhibit CLP-

[27] The Company's analysis indicates this small set of sentiments reflects customers who have either not paid by credit/debit card or believed they were charged a fee even though they were not.

REVREQ-1, the Company is proposing to return the historical over recovery of the previously authorized fee-free deferral over a four year period, and further, for the Rate Year and beyond, the Company is proposing to include a base level of fee free expense in base distribution rates and no longer defer any under/over-recoveries for collection/refund of fee-free costs.

IX. CONCLUSION

Q. Does this conclude your testimony?

A. Yes, it does.