GB II New Haven LLC
Docket No: 26-06-03
GB II New Haven LLC Application to Establish 2027 Revenue Requirements

Response to RRU-22
Witness: Michael Bruneau

QUESTION:

(True-Up Interest) Bruneau PFT, pp. 7 and 22; Interrog. Resp. RRU-001. Regarding the true-up refund and interest:

a. Identify which of the previously provided refund and revenue requirement figures are Company-sponsored.

b. Provide the basis for applying 6.75% from July 2026 through December 2027.

RESPONSE:

a. Spare Parts Inventory is the only true-up component that could be considered "Company-sponsored".

b. 6.75% was the most recent applicable FERC Interest Rate (from Third Quarter 2026), which can be found here: https://www.ferc.gov/interest-calculation-rates-and-methodology.

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Response to RRU-23
Witness: Michael Bruneau

QUESTION:

(O&M Procurement) Application, Sch. C-2.0; Interrog. Resp. RRU-003, Ex. RRU-003.c. For each contract or purchase order exceeding $10,000 in effect throughout 2025 or 2026, provide the counterparty, annual amount, FERC account, procurement method, number of bids received and the revision of AG-BO-103 in effect at award. Provide Revisions 1 and 2.

RESPONSE:

Please note that the Company's proposed 2027 O&M expenses fall under the 2% cap previously established by the Authority. As indicated in the 2013 Decision, since the cap amount is greater than the inflation-adjusted actual O&M calculation in the 2027 AFRR, "no further analysis of O&M expenses is required" (as established by prior AFRR proceedings).

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Response to RRU-24
Witness: Michael Bruneau

QUESTION:

(Asset Retirement Obligation (ARO)) Bruneau PFT, p. 11; Interrog. Resp. RRU-004, Ex. RRU-004. Regarding the asset retirement obligation:

a. Provide the ARO liability recorded as of February 23, 2022, December 31, 2024 and December 31, 2025, reconciled with Exhibit RRU-004.

b. Identify which scenario in Exhibit RRU-004 the Authority approved in Docket No. 19-06-41, Application of PSEG New Haven LLC for Establishment of 2020 Revenue Requirements and provide the accretion rate applied in row 17.

c. Quantify the 2027 AFRR effect of holding accretion at $53,999, in an unlocked Excel workbook with formulas intact.

RESPONSE:

a. The Company recorded the following ARO liabilities: 1) Feb 23, 2022 – $0.610 million; 2) Dec 31, 2024 – $0.755 million; and Dec 31, 2025 – $0.814 million.

b. The Company does not understand the reference to a specific scenario. The 2018 Layer Change was the ARO Schedule that was approved in *Docket No. 19-06-41*.

c. See attached Exhibit RRU-24.c for the effect if the accretion expense deviated from the previous Authority-approved amount.

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Response to RRU-25
Witness: Michael Bruneau

QUESTION:

(Insurance) Application, Sch. C-2.0; Interrog. Resp. RRU-005. Regarding property insurance, provide, for 2021 through 2025, the premium by line of coverage, the total portfolio premium and the allocation basis.

RESPONSE:

The Company is not aware of premium by line of coverage or total premium allocation basis. Also, please note that the Company's proposed 2027 O&M expenses fall under the 2% cap previously established by the Authority.

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Docket No: 26-06-03
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Response to RRU-26
Witness: Michael Bruneau

QUESTION:

(Property Tax) Bruneau PFT, pp. 13–14; Application, Sch. WP C-2.3; Interrog. Resp. RRU-007, Ex. RRU-007. Regarding the 2027 property tax estimate:

a. Rebuild Schedule WP C-2.3 from the acquisition-year costs and depreciation percentages in the October 1, 2025 declaration, rolled forward one year, in an unlocked Excel workbook with formulas intact.

b. Provide the real property tax bills for fiscal years 2025/2026 and 2026/2027.

c. Provide the derivation of the $4,445,265 assessed value from the $39,247,134 parcel assessment and identify the payee of the real property tax.

RESPONSE:

a. See attached Exhibit RRU-26.a. Also, please note that property taxes are trued-up in the following year's AFRR to account for actual expense.

b. See attached Exhibit RRU-26.b.1 and Exhibit RRU-26.b.2.

c. See attached Exhibit RRU-26.c.

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Response to RRU-27
Witness: Michael Bruneau

QUESTION:

(Transformer Retirement) Reynolds PFT, p. 3; Interrog. Resp. RRU-008. Regarding the failed auxiliary transformer:

a. Provide its original cost, in-service date and accumulated depreciation as of December 31, 2025, and where it is reflected in the 2027 rate base and on the October 1, 2025 declaration.

b. Provide the retirement entries and the effect, if any, on the 2027 rate base, depreciation expense and property tax given it is retired as of the April 2025 failure date.

c. Provide the CWIP balance and AFUDC accrued on the replacement and the treatment of each in the 2027 rate base.

RESPONSE:

The Company has not included the transformer failure nor the replacement in the 2027 rate base calculation. The Company was waiting to include these components until after the project is completed.

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Response to RRU-28
Witness: Michael Bruneau

QUESTION:

(Working Capital) Application, Sch. WP B-1.0; Decision dated December 17, 2025, Docket No. 25-06-03, p. 12 (Decision); Interrog. Resp. RRU-009. Regarding the December 2026 working capital balance:

a. Provide Exhibit GB II-2 revised to the approved December 31, 2026 balance of $3,691,508, in an unlocked Excel workbook with formulas intact, and the change in the 2027 AFRR.

b. Describe the review performed to tie the opening balances on WP B-1.0 to Table 4 of the Decision.

c. Quantify the 2027 average rate base with working capital computed on a monthly roll of each component.

RESPONSE:

a. The Company has amended the Working Capital in attached Exhibit GB II-2_v2 (there is a negligible change to the 2027 AFRR amount).

b. The Company reviews the opening balances on WP B-1.0 in each AFRR to tie to Table 4 of the Decision in the prior year's AFRR. The slight error in this year's AFRR was an oversight, and one which ultimately had zero impact on the 2027 AFRR amount.

c. 2027 average rate base is $63.329 million.