CAE-004 Q:

Motion No. 26, Docket No. 25-08-02, pp. 9-10. Provide a cost and timeline estimate for billing system updates to enable automated calculation and tracking for non-bypassable charges and incentive adders, if UI's proposal for using proxy production data for RRES customers with DC-coupled solar and storage systems were approved by the Authority. Additionally, provide an estimate of the costs UI would incur to administer the proxy method through an auditable external calculation and periodic bill adjustment or true-up process. In the response, describe the methodology used to develop these estimates, including: (i) key assumptions; (ii) identification of system components and workflows affected; and (iii) labor, software, and integration cost drivers.

CAE-004 A:

The United Illuminating Company ("UI" of the "Company") cannot provide rigorous estimates of the time and cost to implement this change in the SAP billing system without a full and final specification of the Program rules, which the Public Utilities Regulatory Authority ("PURA" or the "Authority") would provide in a final decision. The Company cannot estimate the cost without engaging a third-party billing system contractor, which will require the final specification of the Program rules. These considerations are essential to ensure that any SAP design delivers measurable benefits without imposing undue costs on ratepayers. The Company further notes that such costs should be eligible for appropriate cost recovery, as these enhancements are being implemented as part of Program administration and in compliance with PURA-established Program rules. The Company does not recommend implementing a proxy method that would require administration via an auditable external calculation in conjunction with a periodic bill adjustment or true-up process. Reliance on periodic bill adjustments or true-up mechanisms heightens the risk of inadvertent discrepancies between projected and actual bill impacts. As the number of participating customers increases, the probability of calculation

variances, data transfer errors, or timing mismatches correspondingly rises. This creates additional administrative burden and potential customer confusion, as well as the need for corrective actions that may further increase operational costs.