Date Filed: August 28, 2026

Witness: RUNYON, JENNIFER M
Request from: Public Utilities Regulatory Authority

Question:

UI Interrog. Resp. CAE-1, pp. 1–2; Eversource Interrog. Resp. CAE-1, pp. 1–2. Explain why continuing to offer an annual performance incentive payment option may require significant system modifications and associated costs. If possible, quantify those costs and explain how the cost estimate was developed, including the assumptions and methodology used.

Response:

As discussed in Eversource's response to CAE-1 filed on July 9, 2026 in this docket, supporting both annual and seasonal performance incentive payment options would require additional program administration and system functionality beyond the capabilities of the Company's current DERMS providers EnergyHub and Uplight.

EnergyHub confirmed that its DERMS platform, as currently built, cannot accommodate an annual incentive payment. EnergyHub said it would require custom development within its platform to build a feature that would be able to deliver a single annual payment over two demand response seasons.

EnergyHub explained that it would need to scope and properly estimate this custom feature to deliver a quote after collecting all requirements from both Eversource and the Connecticut Green Bank.

Theoretically, Eversource or EnergyHub could institute a manual "hold" of payments on the accounting front to accommodate a single annual payment across two demand response seasons. However, any manual process inherently carries more risk, as well as additional time and effort, which could in turn lead to additional incremental costs.

In addition, maintaining multiple payment methodologies increases administrative complexity associated with the incentive validation process, reconciliation, customer support, and payment processing. The Company also believes seasonal payments provide a more transparent connection between system performance and customer compensation, whereas annual payments require aggregation of performance across multiple seasons and may be more difficult for customers to understand.