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Witness: GLADEY, DAVID L, WALKER, GERHARD, Freeman, Lavelle A
Request from: Process Monitor

Question:

Did you complete a Cost-Benefit Analysis when developing this year's Grid Needs Filing? If so, was that analysis aligned with the approach defined in the finalized BCA Manual submitted on June 16, 2025 and approved by PURA through 24-08-08?,[2,3] If not, please describe the screening process that was used to inform the preferred solution in this year's Grid Needs Filings and the rationale for using that process.

[2] Finalized BCA Reference Manual
[3] PURA BCA Manual Ruling

Response:

Per Appendix A of the Final Decision in Docket No. 17-12-03RE07, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Non-Wires Alternatives, the Company's understanding is that the Benefit-Cost Analysis Framework should be applied to evaluate the bids/proposals received in the competitive solicitation process and not for evaluating the Grid Needs in the Grid Needs Filings.[1]

The Company would like to describe its screening process for Grid Needs as follows.

For distribution line projects, NWS alternatives are considered for all applicable projects based on the load required, duration, and 10-year growth rate for the area to ultimately determine the MWh required for the NWS alternative. The estimate for a BESS, as an example, is calculated at $2M per MWh based on the lowest two of three contractor bids received in Connecticut. This estimate is an all in cost assuming land purchase and interconnection costs of the battery. The cost and benefits of all options, including both traditional wire and non-wires solutions are than compared to determine the final approved solution.
The $2 million per MWh estimate was derived from the average of the three vendor quotes, combined with all other necessary materials, labor, and internal employee costs, as filed in Motion No. 12 of Docket No. 22-06-05, PURA Implementation of Public Act 22-55.

The screening of all substation capacity projects utilizes the most recent release of the Non-Wires Alternatives (NWA) Toolset to determine the required peak demand reduction and energy (MWh) capacity of a potential non-wires solution. The analysis incorporates the substation's 10-year

[1] *See* Appendix A of Final Decision at 21, "Benefit-Cost Analysis Framework".

summer peak load forecast at the 90/10 reliability level as an input to the load modeling. The Toolset enables evaluation of NWA portfolios composed of various technology options and assesses whether a proposed solution can fully mitigate the identified capacity constraint within the applicable forecast horizon. Any viable NWA identified through this process is then evaluated and compared with all other project alternatives as part of the Company's standard solution selection and vetting process.