Date Filed: October 02, 2026

Witness: Dzialo, Michael J, FALLON, MATTHEW P, Vancho, James J
Request from: Public Utilities Regulatory Authority

Question:
(Proceeds) Application, Att. A, p. 7-8. Explain how the Company will ensure the financing complies with the requirement in General Statutes § 16-43(b) that the proceeds are not used to pay the expenses, including taxes, of conducting business or for the payment of dividends.

Response:

The proposed 2026-2027 financings will comply with Connecticut General Statutes ("Conn. Gen. Stat.") § 16-43(b). Consistent with Conn. Gen. Stat. § 16-43(b), the proceeds will ***not*** be used to pay the Company's expenses, including taxes, of conducting business or for the payment of dividends.

During the 2026-2027 time period, the Company expects to generate net cash flow of approximately $1.0 billion after the payment of its operating expenses (including taxes), and dividends. Therefore, proceeds from the proposed long-term debt issuances are not required to cover these cash outflows.