Date Filed: October 02, 2026

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

Question:
(YIELD UST) Application, Att. A, pp. 9; Supplement to Application, Sept. 19, 2026, Att. M. Explain how the Company developed the fixed interest rate range of 4.72% to 5.73% and how it arrived at 5.15% for estimated interest rate for the transaction.

a. Provide the estimated yield over US Treasuries and effective yield for the transaction assuming 5-year, 10-year and 30-year maturities and the information for the table below.
b. Provide the table data as of June 30, 2026, and the current yield per the response to Interrogatory RRU-8.

Description	**5-Year**	**10-Year**	**30-Year**
Treasury Yields (5, 10 and 30-Year as of June 30, 2026)	%	%	%
Estimated Spread over Treasuries *(comparable 5, 10 and 30-Year)*	%	%	%
Call Option-Redemption Provisions	%	%	%
Coupon	%	%	%
Fees-Legal Expenses	$	$	$
Fees-Underwriting Placement	$	$	$

Description	**5-Year**	**10-Year**	**30-Year**
All-In Costs Miscellaneous fees	$	$	$
Effective Yield (after issuance costs)	%	%	%
Effective All-In Spread over Treasuries (Effective Yield minus Treasury Yields)	%/bps	%/bps	%/bps

Response:

The interest rate range of 4.72% to 5.73% was developed based on indicative pricing as of June 30, 2026, as provided by Barclays (one of the Company's investment banks) for five, ten and thirty-year CL&P secured long-term debt. The Company will determine the exact maturity at the time of issuance. However, a 10-year maturity (and the associated 5.15% rate) was selected for

illustrative purposes. In selecting the exact maturity at the time of pricing, the Company will consider the term structure of interest rates, the absolute level of interest rates, investor demand for various maturities, prevailing credit spreads for various maturities and the Company's existing debt maturity profile.

Please refer to the tables below in response to part a and part b of the question.

As of June 30, 2026

Description	5-Year	10-Year	30-Year
Treasury Yields	4.17%	4.40%	4.88%
Estimated Spread over Treasuries	0.55%	0.75%	0.85%
Call Option-Redemption Provisions	0%	0%	0%
Coupon	4.72%	5.15%	5.73%
Fees - Legal Expenses	$284,000	$284,000	$284,000
Fees - Underwriting	$6,900,000	$7,475,000	$10,062,500
Fees - Ratings Agency	$2,673,750	$2,673,750	$2,673,750
Fees - Miscellaneous	$439,815	$439,815	$439,815
Total Fees	$10,297,565	$10,872,565	$13,460,065
Effective Yield (after issuance costs)	4.93%	5.27%	5.81%
Effective All-In Spread Over Treasuries (Effective Yield minus Treasury Yields)	0.76%	0.87%	0.93%

As of September 25, 2026

Description	5-Year	10-Year	30-Year
Treasury Yields	5.03%	5.18%	5.48%
Estimated Spread over Treasuries	0.60%	0.80%	0.90%
Call Option-Redemption Provisions	0%	0%	0%
Coupon	5.63%	5.98%	6.38%
Fees - Legal Expenses	$284,000	$284,000	$284,000
Fees - Underwriting	$6,900,000	$7,475,000	$10,062,500
Fees - Ratings Agency	$2,673,750	$2,673,750	$2,673,750
Fees - Miscellaneous	$439,815	$439,815	$439,815
Total Fees	$10,297,565	$10,872,565	$13,460,065
Effective Yield (after issuance costs)	5.84%	6.11%	6.47%
Effective All-In Spread Over Treasuries (Effective Yield minus Treasury Yields)	0.81%	0.93%	0.99%

1. Underwriting fees based on standard market rates: 0.60% for 5-year debt, 0.65% for 10-year debt and 0.875% for 30-year debt.
2. Estimated fees based on issuing $1.15 billion of long-term debt in two series.