



PURA Approves Eversource's Expanded System Resiliency Program

In response to the 2012 storms, Eversource Energy, formerly known as the Connecticut Light & Power Company or CL&P (“Eversource”), proposed a \$300 million plan to increase the resiliency of their distribution system during storms, which was approved by the Public Utilities Regulatory Authority (PURA or Authority) in Docket No. 12-07-06. In the Eversource rate case, Docket No. 14-05-06, the company proposed a new expanded system resiliency plan worth \$368 million to be spent over the years 2015-2019. In its Final Decision in the Eversource rate case at page 10, PURA stated: “The Authority shares the OCC’s concern regarding the impact of the proposed spending on ratepayers . . . [T]he Authority will authorize the program to go forward. However, the Company should be prepared to do so at a level of funding below the levels it is anticipating, subject to the Authority’s determination in the reopened Docket No. 12-07-06 proceeding.”

In the reopened proceedings, Docket No. 12-07-06RE01, Eversource heeded the advice of PURA and reduced its proposal for the expanded system resiliency program to about \$130 million for capital costs and \$7 million for O&M expenses over the 2015 to 2017 time period. The Expanded Plan resiliency programs are:

1. Pole Integrity - Replacement of existing utility pole plant with taller, thicker poles and composite crossarms;
2. System Automation and Grid Modernization – Enable remote operation of substation equipment, expand existing system resiliency modernization programs (such as line sensors), install new smart switches to expand sectionalization capabilities of circuits, integration of Distribution Supervisory Control and Data Acquisition (DSCADA) and upgrading the DSCADA telecommunications infrastructure;
3. Substation Security – Increase security measures at designated substations;
4. Substation Flood Mitigation – Implement flood mitigation measures at certain substations that are at risk;
5. Infrastructure – Remediate substations that are vulnerable to long outages and increase resiliency of lines that transit through Rights of Way (ROW); and
6. Vegetation Management – Address off-cycle emergent tree outages and concerns on lateral segments not previously addressed in Enhanced Tree Trimming program.

The good news is the reduced cost of the expanded plan was clearly a win for ratepayers. Unfortunately, there is some bad news. The cost to ratepayers over the 2015-2017 time period will be \$34.943 million for the expanded program that was approved. It will be billed through the non-bypassable federally-mandated congestion charges (NBFMCC). This is one of the line items at the bottom of the electric bill that very few customers understand. The charges could start as early as July 2015.