

2023

Q2/Q3



PURA Outlook

July 11, 2023

Summer is upon us, bringing long, warm days to spend with friends and family. It also signals a busy season for the Public Utilities Regulatory Authority (PURA) of conducting annual performance reviews of the multitude of energy affordability, clean energy, and resilience programs overseen by PURA oversees and implemented by the Eversource Energy and Avangrid companies. The Authority conducts a full review of each program's progress towards its goals and objectives, and will issue a decision before the end of the year to ensure that any necessary program modifications take effect during the next program year. Currently, PURA has opened annual review proceedings for each of the following programs:

- <u>Docket No. 23-05-01</u>: Energy Affordability Annual Review
- <u>Docket No. 23-08-01</u>: 2023 Clean and Renewable Energy Program Data and Report
- <u>Docket No. 23-08-02</u>: Residential Renewable Energy Solutions Program Review Year 3
- <u>Docket No. 23-08-03</u>: Non-Residential Renewable Energy Solutions Program Review Year 3
- <u>Docket No. 23-08-04</u>: Shared Clean Energy Facility Program Review Year 5
- <u>Docket No. 23-08-05</u>: Energy Storage Solutions Program Review Year 3
- <u>Docket No. 23-08-06</u>: Electric Vehicle Charging Program Review Year 3
- Docket No. 23-08-09: Electric Reliability and Resilience Framework Review

These are, of course, in addition to routine matters, the United Illuminating rate case, and three new dockets opened as part of the Performance-Based Regulation (PBR) Framework Phase 2 process recently announced in the April 26, 2023 PBR Phase 1 Decision. The Phase 2 dockets will continue the Phase 1 investigation in pursuit of the goals laid out in the General Assembly's 2020 "Take Back Our Grid Act" and the recently passed Public Act 23-102, An Act Strengthening Protections for Connecticut's Consumers of Energy.

As with all PURA decisions, each of the above will be based upon record evidence in order to ensure that the resulting programs or regulatory reforms continue advancing affordability, equity, resiliency and reliability, as well as the state's environmental and economic goals. Thus, each decision is only as good as the evidence it is based on, the value of which is often directly tied to the diversity of stakeholder perspectives during the proceeding. The Authority recognizes that participating in a docket is not always easy, and has been working to create more accessible opportunities including:

Live-streaming docket proceedings through Zoom and YouTube; releasing multiple video tutorials for how to participate; creating the Office of Education, Outreach, and Enforcement (EOE) to facilitate public communications and engagement; and accepting electronically-filed public written comments at PURA.ExecutiveSecretary@ct.gov.

Read the Phase 1
PerformanceBased Regulation
Decision Here

We welcome and encourage public participation in our proceedings, particularly specific, detailed personal accounts of experience with any of the above topics, or the utilities themselves. Clear documentation of evidence can be influential in PURA's final determination. If you have any experience or information to share, but aren't sure which docket it is most relevant to, you are always able to contact our staff in EOE who can help guide you through the process.

In the coming years, you'll see even more resources for stakeholders to participate in PURA proceedings. We look forward to working to ensure that the voices of Connecticut's ratepayers are not just heard, but valued and incorporated in our decisions. In the meantime, please see the resources below that PURA staff have developed to help customers better understand their bills and the topics we regulate.

marina & Sallett

Marissa P. Gillett Chairman

John U. Better (1)

John W. Betkoski II Vice Chairman

Michael Caron
Commissioner

Resources to Help You Interpret Your Electric Bill

Eversource

Click below to learn how to understand your bill from Eversource



United Illuminating

Click below to learn how to understand your bill from UI



PURA 101

Click below to watch the PURA 101 Roadshow with Chairman Gillett



Q2 Docket Decisions

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ELECTRIC SECTOR

- 23-01-03 Eversource Annual Rate Adjustment Mechanisms (RAM)
- 23-01-04 United Illuminating Annual RAM
- 21-05-15 PURA Investigation into a Performance-Based Regulation (PBR)
 Framework for the Electric Distribution Companies
- 23-02-01 Annual Reconciliation of the Conservation Adjustment Mechanisms (CAM)



GRID MODERNIZATION

No grid modernization decisions this quarter. Proceedings ongoing.



WATER SECTOR

No water decisions this quarter. Proceedings ongoing.



GAS SECTOR

- 22-10-01 Annual Review of the Purchased Gas Adjustment Clause Charges or Credits Filed by Connecticut Local Distribution Companies
- 23-04-15 Application of Yankee Gas d/b/a Eversource Energy for the Approval of the Issuance of Long-Term Debt
- 23-03-02 2023 Report to the General Assembly Concerning Lost & Unaccounted For (LAUF) Gas



TELECOMM SECTOR (+ UTILITY POLES)

- 22-10-02 Annual Allocation of Public Educational and Governmental Programming and Education Technology Investment Account (PEGPETIA) Pursuant to Conn. Gen. Stat. § 16-331cc
- 23-01-05 Annual Assessment to Fund the Development and Administration of Enhanced Emergency 911 Program
- 23-01-06 Annual Community Access Support Review



4 Electric Sector

Q2 Major Decision Summaries

23-01-03

Eversource Annual Rate Adjustment Mechanisms (RAM)

- This Interim Decision conditionally approves adjustments to Eversource Energy's Rate Adjustment Mechanisms (RAM), from July 1, 2023 to April 30, 2024, through the statutory framework specified in Conn. Gen Stat. §§ 16-19b and 16-19e(a)(4)-(6).
- Specifically, this Decision approves modifications to the Non-Bypassable Federally Mandated Congestion Charge (NBFMCC), the Transmission Adjustment Clause (TAC), the Systems Benefit Charge (SBC), the Competitive Transition Assessment (CTA), the Electric System Improvements tracker (ESI), and the Revenue Decoupling Mechanism (RDM) rate components.
- The Authority also directed Eversource to implement these rate adjustments so that they coincide with the expected decrease in the Standard Service Supply rate that takes effect on July 1, 2023, such that the overall net effect on bills is minimized.

23-01-04

United Illuminating Annual Rate Adjustment Mechanisms (RAM)

- This Interim Decision conditionally approves adjustments to United Illuminating's Rate Adjustment Mechanisms (RAM), from July 1, 2023 to April 30, 2024, through the statutory framework specified in Conn. Gen Stat. §§ 16-19b and 16-19e(a)(4)-(6).
- Specifically, this Decision approves modifications to the Company's proposed adjustments to the Non-Bypassable Federally Mandated Congestion Charge (NBFMCC), the Transmission Adjustment Clause (TAC), the Systems Benefit Charge (SBC), and the Revenue Decoupling Mechanism (RDM) rate components.
- The Authority also directed United Illuminating to implement these rate adjustments so that they coincide with the expected decrease in the Standard Service Supply rate that takes effect on July 1, 2023, such that the overall net effect on bills is minimized.

21-05-15

PURA Investigation into a Performance-Based Regulation (PBR) Framework for the Electric Distribution Companies

- This Decision adopts regulatory goals, foundational considerations, and priority outcomes to guide all electric utility regulation in Connecticut moving forward, including the Authority's further development and adoption of a performance-based regulation (PBR) framework pursuant to Section 1 of Public Act 20-5, <u>An Act Concerning Emergency Response by Electric Distribution Companies, the Regulations of other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in the State (Take Back Our Grid Act).
 </u>
- Additionally, the Decision:
 - Provides key procedural background and context on the need to reform the traditional utility business model in order to better serve the public interest;
 - Details and defines the adopted regulatory goals, foundational considerations, and priority outcomes, and the process for identifying and selecting them;
 - Explains the PBR elements for consideration in Phase 2 of the Authority's investigation into developing and adopting a comprehensive PBR framework;
 - Outlines a tentative procedural plan for Phase 2; and
 - Summarizes how PBR and the Authority's other work creates a regulatory environment that achieves the adopted goals and priority outcomes.

23-02-01

Annual Reconciliation of the Conservation Adjustment Mechanisms

- The electric and gas distribution companies develop a three-year, combined electric and gas Conservation and Load Management Plan (C&LM Plan) and submit it to the Energy Efficiency Board (EEB) for approval.
- The C&LM Plan is updated and resubmitted to the Department of Energy and Environmental Protection (DEEP) Commissioner, who approves, modifies, or rejects the C&LM Plan and associated budget annually.
- Once the C&LM budget is approved, the Authority's role is to ensure that the C&LM Plan is funded through an annual reconciling Conservation Adjustment Mechanism charge (CAM).
- This Decision approves the CAM charge that will fund the EEB and DEEP-approved C&LM Plan Budget at a rate of \$0.006/kWh for electric customers, and \$0.046/CCF of natural gas for gas customers.

Natural Gas Sector

Q2 Major Decision Summaries

22-10-01

PURA Annual Review of the Purchased Gas Adjustment Clause Charges or Credits Filed by Connecticut Local Distribution Companies

- In 1977, the Authority established, pursuant to statute, the purchased gas adjustment clause (PGA) to allow the gas company to charge or reimburse customers when the actual price of gas differs from the forecasted amount in base rates.
- Every month, the local gas distribution companies (LDCs) file their calculated PGA to be implemented the following month for the Authority's review.
- Every year, the Authority conducts a proceeding to determine whether the charges or reimbursements reflect the actual prices paid for gas by the LDCs in the prior year and were accurately calculated.
- This Decision approves the Connecticut Natural Gas Corporation (CNG), The Southern Connecticut Gas Company (SCG), and Yankee Gas Services Company d/b/a Eversource Energy's deferred gas costs and adjustment factors from September 2021 to August 2022.

23-04-15

Application of Yankee Gas Services Company d/b/a Eversource Energy for Approval of the Issuance of Long-Term Debt

- On April 7, 2023, Yankee Gas Services Company d/b/a Eversource Energy submitted an application requesting the Authority's approval to issue bonds in a total amount not to exceed \$350 million.
- Eversource Energy asserted that this amount is necessary to fund capital investments and other business needs during the financing period, starting on the date of the Authority's approval to December 31, 2024.
- The Authority approved the application through this Decision, but recovery of financing costs is subject to (1) filing information regarding each individual bond within 30 days of issuance and (2) a future rate proceeding and full prudency review.

23-03-02

2023 PURA Report to the General Assembly Concerning Lost and Unaccounted For Gas

- Per Conn. Gen. Stat. § 16-34a, the Authority is required to report to the General Assembly no later than July 1 of each year on lost and unaccounted for (LAUF) gas.
- LAUF gas is an accounting concept and ratemaking tool developed to balance the
 receipts and deliveries of natural gas. During a 12-month period, a difference may
 arise between the amount of gas injected into a distribution system and the gas
 measured at customers' meters; this difference is accounted for using the concept of
 LAUF gas.
- Some causes for LAUF gas include accounting issues with unbilled gas, meter bias, and theft.
- Based on the Authority's review of the compliance filings by the local gas distribution companies (LDCs), it found that each LDC reported a LAUF gas percentage below the statutory allowable maximum of 3%.

Telecomm Sector (+ Poles)

Q2 Major Decision Summaries

<u>22-10-02</u>

Annual Allocation of Public Educational and Governmental Programming and Education Technology Investment Account Pursuant to Conn. Gen. Stat § 16-331cc

- In 2007, the General Assembly established the Public, Educational, and Governmental Programming and Education Technology Investment Account (PEGPETIA) to promote and improve public, educational, and governmental programming and to support education technology initiatives.
- The Authority conducts an annual proceeding to determine the allocation of the accumulated funding in the account and to administer grants to eligible entities.
- To distribute PEGPETIA funds accumulated through February 28, 2023, the Authority opened this proceeding and began accepting applications on November 1, 2022, through February 28, 2023.
- The Authority received \$9.7 million in application requests and awarded \$7.1 in grants.

23-01-05

Annual Assessment to Fund the Development and Administration of the Enhanced Emergency 911
Program

- Conn. Gen. Stat. § 16-256g directs the Authority to determine the monthly fee to be assessed against each telephone service, commercial mobile radio service (CMRS), customer-owned coin operated telephone (COCOT) service, and Voice over Internet Protocol (VoIP) subscriber to fund the development and administration of the state's Enhanced Emergency 911 (E-911) program.
- This Decision approves the E-911 fee schedule effective July 1, 2023. The fee schedule is based on the annual operating budget established by the Department of Emergency Services and Public Protection (DESPP), the number of subscriber lines, and a progressive schedule for multi-wireline accounts.

23-01-06

Annual Community Access Support Review

- Conn. Gen. Stat § 16-331a(k) requires that the Authority establish the amount that a company or organization responsible for community access television operations should receive for such operations from subscribers.
- Since 1998, the Authority has adjusted the applicable range and requisite level of community access support based on the compound rate of inflation of the consumer price index (CPI).
- The CPI for the 2022 inflation rate is 6.11%. Using this value, the Authority calculated the necessary adjustment for each community access television provider, as specified in Appendix A of the Decision.

Click here for more information on how to participate

Q3 Upcoming Procedural Events



Planned Procedural Meetings

Date	Docket No.	Docket Name	Event & Registration
7/17/2023	21-05-15RE02	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	<u>Working Group</u> <u>Meeting</u>
7/24/2023	23-05-01	Annual Review of Affordability Programs and Offerings (Energy Affordability Annual Review)	Technical Meeting
7/26/2023	23-01-25	Application of Cellco Partnership d/b/a Verizon Wireless for Approval of a Construction Plan to Install Wireless Facilities Within Certain Public Rights-of-Way – AVON SC13 CT	<u>Hearing</u>
7/27/2023	23-03-01	Annual Review of the System Expansion Reconciliation Mechanisms	Hearing
7/27/2023	21-05-15RE02	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	<u>Working Group</u> <u>Meeting</u>
7/28/2023	23-05-01	Annual Review of Affordability Programs and Offerings (Energy Affordability Annual Review)	Technical Meeting (Cont.)

Planned Procedural Meetings Continued

Date	Docket No.	Docket Name	Event & Registration
7/31/2023	21-05-15RE01	PURA Investigation into Revenue Adjustment Mechanisms for a Performance-Based Regulation Framework	Technical Meeting
8/03/2023	23-08-05	Annual Energy Storage Solutions Program Review - Year 3	<u>Technical Meeting</u>
8/15/2023	21-05-15RE03	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	Technical Meeting
8/22/2023	21-05-15RE02	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	<u>Working Group</u> <u>Meeting</u>
8/30/2023- 8/31/2023	22-08-07	Innovative Energy Solutions Program Cycle 1	Technical Meeting
9/06/2023	23-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 3	Technical Meeting
9/11/2023	21-05-15RE02	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	Technical Meeting
9/12/2023	23-08-03	Annual Non-Residential Renewable Energy Solutions Program Review - Year 3	Technical Meeting
9/14/2023	17-12-03RE10	PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Building Blocks of Resource Adequacy and Clean Electric Supply	Technical Meeting
9/18/2023	21-05-15RE01	PURA Investigation into Revenue Adjustment Mechanisms for a Performance-Based Regulation Framework	Technical Meeting
9/19/2023	23-08-06	Annual EV Charging Program Review - Year 3	Technical Meeting
9/20/2023	21-05-15RE03	PURA Investigation into the Establishment of Integrated Distribution System Planning within a Performance-Based Regulation Framework	Technical Meeting
9/29/2023	23-08-05	Annual Energy Storage Solutions Program Review – Year 3	Technical Meeting

Click to see the PURA
Calendar of Events:
Pre-2018 dockets
Post-2018 dockets

Planned Final Opportunities to Comment

Date	Docket	Docket Title	Event Type
7/6/2023	22-06-05	PURA Implementation of Public Act 22-55	Briefs Due
7/11/2023	21-07-01	Application of The Connecticut Light and Power Company and Yankee Gas Services Company, each individually d/b/a Eversource Energy, The United Illuminating Company, Connecticut Natural Gas Corporation, and The Southern Connecticut Gas Company for Approval of Arrearage Forgiveness Program 2021-2022	Briefs Due
8/17/2023	23-05-01	Annual Review of Affordability Programs and Offerings (Energy Affordability Annual Review)	Briefs Due
8/21/2023	23-03-01	Annual Review of the System Expansion Reconciliation Mechanisms	Briefs Due
9/20/23	23-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 3	Briefs Due
9/26/2023	23-08-03	Annual Non-Residential Renewable Energy Solutions Program Review - Year 3	Briefs Due

PURA Regular Meeting Dates & Planned Final Decisions

Regular Meeting Date	Docket No.	Docket Title	
8/2/2023	23-01-39	Investigation Into Eversource's Manner of Operation and Safety Regarding its Underground Electric Distribution System	
8/9/2023	23-01-32	Investigation into the Response of The Connecticut Light and Power d/b/a Eversource Energy to the Accident on January 17, 2023, at 602 Greenwoods Road, Norfolk, CT	
	22-09-18	Joint Application of the Town of New Hartford and Aquarion Water Company of Connecticut for Approval of the Transfer of Water and Wastewater System Assets	
8/16/2023	23-01-04	PURA Annual Review of the Rate Adjustment Mechanisms of The United Illuminating Company	
	23-01-03	PURA Annual Review of the Rate Adjustment Mechanisms of The Connecticut Light and Power Company	
8/25/2023	22-08-08	Application of The United Illuminating Company to Amend Its Rate Schedule	
9/6/2023	21-07-01	Application of The Connecticut Light and Power Company and Yankee Gas Services Company, each individually d/b/a Eversource Energy, The United Illuminating Company, Connecticut Natural Gas Corporation, and The Southe Connecticut Gas Company for Approval of Arrearage Forgiveness Program 2021-2022	
9/13/2023	22-12-01	Annual Review of EDC's Plans for Maintenance of Transmission and Distribution Overhead and Underground Lines	
9/20/2023	23-01-25	Application of Cellco Partnership d/b/a Verizon Wireless for Approval of a Construction Plan to Install Wireless Facilities Within Certain Public Rights-of- Way – AVON SC13 CT	



Upcoming PURA 101 Workshops





The Authority will resume the PURA 101 Workshop series this fall. To request a PURA 101 presentation on site or via Zoom, compose an email to Joe.Cooper@ct.gov. In the request, please include a preferred time, date range, location, target audience, and topics you would like the Authority to cover. Organizers are responsible for securing in-person locations.

PURA In the News

4/10/2023 CT News Junkie

Report: PURA's Consumer Affairs
Unit Having Impact on Number of
Complaints

4/26/2023 CT Public

CT utility regulators approve new framework to make electric utilities more accountable

5/17/2023 CT Insider

CT electric rates expected to drop drastically starting in July

5/26/2023 CT Mirror

Senate passes bill to reform utility regulation in CT

6/6/2023 CT Mirror

<u>Lamont endorses Marissa Gillett to</u> <u>continue as chair of PURA</u>

7/2/2023 CT Examiner

<u>PURA Chair Talks Affordable Utility</u> <u>Rates, Performance-Based</u> <u>Regulation</u>

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