

2024

Q3



PURA Outlook

July 8, 2024

Though summertime in New England typically means plenty of sunny, pleasant weather, it may also bring severe weather and storms that can impact electric service. To address this, a key component of Connecticut's electric distribution companies' (EDC) statutory obligation is to provide safe, adequate, and reliable service. The Public Utilities Regulatory Authority (PURA or Authority) continues to work with stakeholders to develop multiple tools to oversee this statutory obligation, including, but not limited to, evaluating the EDCs' strategic plans and grid investments, and by designing customer-facing programs that enhance resilience and responsiveness.

General Statutes § 16-32e(b) requires that each EDC submit to the Authority an updated Emergency Response Plan (ERP) every two years. The Authority and state and local officials then review and potentially revise these ERPs to ensure appropriate planning and readiness in advance of storms. Following Tropical Storm Isaias, the Authority enhanced the requirements of ERPs, mandating that the EDCs: (1) acquire sufficient damage assessors to identify priority damage and perform timely damage assessment; (2) can identify and track life support customers and their outages; (3) stress test communications channels and ensure their operation during extreme events; (4) respond to the needs of customers; (5) improve the EDCs' ability to track line crew field work; and (6) timely share relevant information with municipalities.

The Authority has also designed a <u>Reliability and Resilience Framework</u> through its <u>Equitable Modern Grid</u> proceedings that helps ensure that the EDCs are strategically, cost-effectively, and equitably implementing reliability and resilience upgrades to the distribution system. Using this Framework, the EDCs can classify the vulnerability of each portion of the grid and prioritize critical areas. Then, once areas on the grid have been identified for upgrades, the Framework outlines an approach to selecting the most appropriate and cost-effective solution. Selected measures will be evaluated on their ability to avoid storm restoration costs, customer interruption costs, vegetation management costs, and pole replacement costs. Using data from these Frameworks, the EDCs must also fill out town-specific scorecards that are designed to provide more transparency and accountability regarding the EDC investments into reliability and resilience throughout the state each year.

In preparation for hurricane season, customers should also feel empowered to take action at home to increase their own resilience when facing adverse weather. This includes building an <u>emergency kit for their homes</u>, signing up for emergency alerts through <u>CT Alert</u>, and considering home energy upgrades such as a <u>battery energy storage system</u>, which can provide back-up power during outages.

For more information on outage reporting and storm preparedness, please visit the <u>Eversource</u> and United Illuminating websites.

With all of this in mind, we at PURA wish you a safe and wonderful summer!

Marissa P. Gillett

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John W. Betkoski II

Michael Caron

Q2 Docket Decisions

ELECTRIC SECTOR

- 24-01-03- PURA Annual Review of the Rate Adjustment Mechanisms of The Connecticut Light and Power Company
- 24-01-04- PURA Annual Review of the Rate Adjustment Mechanisms of The United Illuminating Company
- 18-06-02RE02 Investigation of Appropriate Limitations on All Customer Contracts with Electric Suppliers Pursuant to Conn. Gen. Stat. § 16-245o(m) Interim
- 24-02-01 Annual Reconciliation of The Conservation Adjustment Mechanisms
 Filed By The Connecticut Light And Power Company, The United Illuminating
 Company, Connecticut Natural Gas Corporation, The Southern Connecticut Gas
 Company, And Yankee Gas Services Company
- 23-12-20 PURA Review and Approval of Pro Forma Tariffs Pursuant to Section 16-243a-2 of the Regulations of Connecticut State Agencies



GRID MODERNIZATION

• No Grid Modernization decisions this quarter. Proceedings are ongoing.



NATURAL GAS SECTOR

• 23-10-01 - PURA Annual Review of the Purchased Gas Adjustment Clause Charges or Credits Filed by Connecticut Local Distribution Companies



TELECOMM SECTOR (+ UTILITY POLES)

- 23-10-02 Annual Allocation of Public Educational and Governmental Programming and Education Technology Investment Account pursuant to Conn. Gen. Stat. § 16-331cc
- 24-01-05 2024 Annual Assessment to the Emergency Enhanced 911 Program
- 24-01-06 Annual Community Access Support Review

WATER SECTOR

- 24-02-15 Application of Aquarion Water Company of Connecticut for Approval of the Issuance of Long-Term Debt in the Principal Amount of up to \$118,516,577
- 20-12-30WI07 Application of The Connecticut Water Company for a Water Infrastructure Conservation Adjustment
- 23-11-24 Application of the Connecticut Water Company to Dispose of Approximately 0.2+ Acres of Real Property Located at 14 West Main Street in the Town of Avon, Connecticut
- 23-08-32 Application of Connecticut Water Company to Amend its Rate Schedule







F Electric Sector

Q2 Major Decision Summaries

24-01-03

PURA Annual Review of the Rate Adjustment Mechanisms of The Connecticut Light and Power Company

- This Decision conditionally approves rates for The Connecticut Light and Power Company d/b/a Eversource Energy's (Eversource or Company) Rate Adjustment Mechanisms (RAM).
- Generally, an electric distribution company (EDC) may only charge rates that have been approved by the Authority in a general rate proceeding under General Statutes § 16-19.
 However, the General Assembly established several mechanisms that allow the EDCs to recover specific costs through reconciliation mechanisms.
- Accordingly, the Authority conducts an annual proceeding to determine rates for the RAM components.
- Specifically, effective July 1, 2024, through April 30, 2025, the Authority approves rates, subject to its pending prudency review in this proceeding, for the following six RAM components: 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).
- The Authority may adjust these approved rates effective September 1, 2024, based on its subsequent review in this proceeding.

24-01-04

PURA Annual Review of the Rate Adjustment Mechanisms of The United Illuminating

Company

- This Decision conditionally approves rates for The United Illuminating Company's (Company or UI) RAM.
- Generally, an EDC may only charge rates that have been approved by the Authority in a general rate proceeding under General Statutes § 16-19. However, the General Assembly established several mechanisms that allow the EDCs to recover specific costs through reconciliation mechanisms. Accordingly, the Authority conducts an annual proceeding to determine rates for the RAM components.
- Specifically, effective July 1, 2024, through April 30, 2025, the Authority approves rates, subject to its pending prudency review in this proceeding, for the following four RAM components: the SBC; the TAC; the NBFMCC; and the RDM.
- The Authority may adjust these approved rates effective September 1, 2024, based on its subsequent review in this proceeding.

18-06-02RE02

Investigation of Appropriate Limitations on All Customer Contracts with Electric Suppliers Pursuant to Conn. Gen. Stat. § 16-2450(m) – Interim

- In 2023, General Statutes § 16-245o(m) was amended to, among other things, authorize electric customers who are designated financial hardship or otherwise protected by law from shutoff of electricity services to enroll with electric suppliers, provided rates effective on or after January 1, 2024, are at or below the standard service rate.
- PURA initiated this docket to (1) determine the "appropriate limitations" for customer contracts with electric suppliers, (2) determine the EDCs' billing system costs and implementation schedule for compliance with statutory requirements for electric supplier contracts, and (3) determine cost recovery for billing system costs from electric suppliers.
- The Authority requested that the EDCs organize, facilitate, and otherwise lead a working group to identify, troubleshoot, and resolve any issues in relation to the implementation of a Rate Cap.
- The working group met in September and October 2023, and the EDCs submitted a report including the EDCs' proposals for changing their billing systems to comply with General Statutes § 16-245o(m).
- This Decision authorizes the EDCs to implement their respective proposals for complying with General Statutes § 16-245o(m).

24-02-01

Annual Reconciliation of The Conservation Adjustment Mechanisms Filed By The Connecticut Light And Power Company, The United Illuminating Company, Connecticut Natural Gas Corporation, The Southern Connecticut Gas Company, And Yankee Gas Services Company

- Every three years, the EDCs and the LDCs develop a three-year combined electric and gas Conservation and Load Management (C&LM) Plan and submit it to the Energy Efficiency Board (EEB) for approval.
- Following EEB approval, the Companies submit the C&LM Plan to the DEEP Commissioner, who approves, modifies, or rejects the C&LM Plan and associated budget.
- Once the C&LM budget is approved, the Authority ensures that the C&LM Plan is funded through a reconciling conservation adjustment mechanism (CAM) charge.
- In this Decision, PURA approves the CAM charge for Eversource, UI, CNG, SCG, and Yankee Gas.
- CNG, SCG, and Yankee shall assess a CAM charge of \$0.0460/ccf to each customer effective March 1, 2024, through February 28, 2025, subject to the annual reconciliation process.
- Eversource and UI shall assess a CAM charge of \$0.0060/kWh of electricity sold to each customer effective March 1, 2024, through February 28, 2025, subject to the annual reconciliation process.

23-12-20

PURA Review and Approval of Pro Forma Tariffs Pursuant to Section 16-243a-2 of the Regulations of Connecticut State Agencies

- The Authority is required to review pro-forma tariffs (PURPA Tariffs) for the purchase of energy and capacity from private power producers and eligible facilities as filed by each EDC in accordance with Conn. Agencies Regs. § 16-243a-2.
- In this Decision, the Authority approves the EDCs' proposed PURPA tariffs subject to modifications.



Q2 Major Decision Summaries

23-10-01

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

- PURA established the Purchased Gas Adjustment clause in 1977 "to allow the gas company to charge or to reimburse the consumer only for the changes in the cost of purchased gas which occur when the actual price of purchased gas differs from the price reflected in the base rates of the company."
- Accordingly, the Authority conducts this annual proceeding "to determine whether charges or credits made under such clauses reflect the actual prices paid for purchased gas or energy and the actual transmission costs and are computed in accordance with the applicable clause."
- In this Decision, PURA approves the Connecticut Natural Gas Corporation (CNG), The Southern Connecticut Gasa Company (SCG), and Yankee Gas Services Company d/b/a Eversource Energy's respective deferred gas costs and adjustment factors for the period of September 2022 to Augst 2023.

Telecomm + Utility Poles Sector

Q2 Major Decision Summaries

23-10-02

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) program to promote and improve public, educational, and governmental programming and to support education technology initiatives.
- The program is funded by a quarterly tax on the gross earnings of video service providers.
- The Authority conducts an annual proceeding to determine the allocation of the accumulated funding in the account and to administer grants to eligible entities. The Authority established the application requirements through a contested proceeding in 2008 and revised the requirements in 2019.
- In this Decision, PURA allocates \$3,006,596 in grants from the PEGPETIA funds accumulated through February 22, 2024, with \$1,503,301 for 39 grants to support public, educational, and governmental programming (PEG Grants) and \$1,503,295 for 74 grants to support educational technology initiatives (ETI Grants).

24-01-05

2024 Annual Assessment to the Emergency Enhanced 911 Program

- The Authority is tasked with determining the amount of the monthly fee to be assessed against each subscriber of incumbent or competitive local exchange carriers (ILEC, CLEC), CMRS wireless providers, and VoIP providers (collectively, Companies) to fund the administration of the Enhanced Emergency 911 (E-911) program.
- The fee 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.
- This Decision establishes the per-line monthly fee schedule for Fiscal Year 2025.

24-01-06

Annual Community Access Support Review

- In this Decision, PURA establishes the inflation-adjusted amount of community access support required pursuant to General Statutes § 16-331a(k).
- Through an annual proceeding, the Authority determines "the amount that the company or organization responsible for community access operations shall receive for such operations from subscribers and from multichannel video programming distributors." General Statutes § 16-331a(k).
- Holders of a Certificate of Cable Franchise Authority (CCFA) or Certificate of Video Franchise Authority (CVFA) are required to provide funds in the amount established by the Authority.
- In this Decision, PURA does not order an increase beyond the consumer price index of last' year's total figure for each multichannel video programming distributor.

→ Water Sector

Q2 Major Decision Summaries

24-02-15

Application of Aquarion Water Company of Connecticut for Approval of the Issuance of Long-Term Debt in the Principal Amount of up to \$118,516,577

- In this Decision, PURA approves Aquarion Water Company of Connecticut's (AWC or Company) application to issue long-term debt in an aggregate amount not to exceed \$118.5 million prior to December 31, 2025.
- \$18 million of this long-term debt will take the form of Drinking Water State Revolving Fund (DWSRF) loans for six projects pertaining to PFAS or lead service line replacements.
- AWC will draw down on the DWSRF loans until the six projects are complete by the end of 2025.
- As required by statute, PURA will conduct a second phase of this proceeding to review these six projects.

20-12-30WI07

Application of The Connecticut Water Company for a Water Infrastructure

Conservation Adjustment

- In this Decision, PURA approves the Connecticut Water Company's (CWC) request to approve 20 projects as Water Infrastructure Conservation Adjustment (WICA) -eligible.
- CWC did not request a change to the current WICA surcharge.
- By statute, a project is eligible if it is: (1) not previously included in the company's rate base; and (2) intended to improve or protect the quality and reliability of service to customers.
- The proposed projects consist of leak detection equipment, replacement of pressure reduction valves, main replacement or main relocation, fire hydrant replacement, and service lines owned by the Company or non-conforming service lines owned by customers.

23-11-24

Application of the Connecticut Water Company to Dispose of Approximately 0.2+ Acres of Real Property Located at 14 West Main Street in the Town of Avon, Connecticut

- Per General Statutes § 16-43(a), public service companies in Connecticut must obtain approval from PURA to "dispose of any essential part of its franchise, plant, equipment or other property necessary or useful in the performance of its duty to the public."
- In determining whether a transaction is subject to approval under General Statutes § 16-43(a), the Authority considers whether or not the property is an essential part of the franchise of the company, or is necessary or useful in the company's duty to the public.
- CWC requested approval to sell a 0.2-acre parcel of improved land in Avon, Connecticut.
- In this Decision, PURA finds that the property is neither essential nor necessary and useful in CWC's performance of duty to the public and therefore CWC does not require PURA's approval to sell the property.

23-08-32

<u>Application of Connecticut Water Company to Amend its Rate Schedule</u>

- In this Decision, the Authority approves an annual revenue requirement for the Connecticut Water Company (CWC) of \$124M for the year July 1, 2024 June 30, 2025.
- The Authority also approved a three-tiered low-income discount rate program to ensure that customers pay no more than 2% of their annual income on water bills.
- The approved increase includes an allowed return on equity (ROE) of 9.30% and the opportunity to recover an incremental \$1.1M in executive compensation provided CWC achieves certain performance targets.
- CWC had originally requested an 18.4% revenue requirement increase, and a 10.5% ROE in its application to the Authority.
- The outcome of this Decision also reflects determinations on multiple other issues related to cost allocation, rate design, revenue adjustment mechanisms, and customer service.

Q4 Upcoming Procedural Events



Planned Procedural Meetings

Date	Docket No.	Docket Name	Event & Registration
7/16/2024 10:00am	24-05-01	Annual Review of Affordability Programs and Offerings (Energy Affordability Annual Review)	Technical Meeting
7/22/2024 10:00am	24-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 4	Technical Meeting
7/22/2024 1:30pm	17-12-03RE11	PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review	Technical Meeting
7/23/2024 2:00PM	24-02-03	2024 PURA Review of and Report on Connecticut Public Service Company Emergency Response Plans	Technical Meeting
7/24/2024 1:00PM	17-12-03RE11	PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review	Hearing - Hearing Room 1

Planned Procedural Meetings Continued

Date	Docket No.	Docket Name	Event & Registration
7/30/2024	24-08-03	Annual Non-Residential Renewable Energy Solutions Program Review - Year 4	Technical Meeting
8/1/2024 10:00am	22-06-29RE01	PURA Investigation Into Distributed Energy Resource Interconnection Cost Allocation – Non-residential Interconnection Upgrades	Technical Meeting
8/6/2024 1:00pm	24-08-05	PURA Annual Review of the Rate Adjustment Mechanisms of The United Illuminating Company	Technical Meeting
8/7/2024 11:00am	24-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 4	Technical Meeting
8/8/2024	17-12-03REII	PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review	<u>LFE Hearing</u>
8/12/2024 1:00pm	21-05-15RE01	PURA Investigation into Revenue Adjustment Mechanisms for a Performance-Based Regulation Framework	Technical Meeting - Hearing Room 1
8/26/2024 1:00pm	21-05-15RE02	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	Technical Meeting - Hearing Room 1
8/29/2024 9:00am	24-08-08	Non-Wires Solutions Process Initiation Phase	Technical Meeting - Hearing Room 1
9/5/2024 10:00am	24-08-03	Annual Non-Residential Renewable Energy Solutions Program Review - Year 4	Technical Meeting
9/11/2024 1:00pm	23-08-09	Annual Electric Distribution Company Reliability and Resilience Framework Review	Technical Meeting
9/12/2024 9:00am	24-08-05	Annual Energy Storage Solutions Program Review - Year 4	Technical Meeting
9/12/2024 1:30pm	24-08-06	Annual EV Charging Program Review - Year 4	Technical Meeting

Planned Procedural Meetings Continued

Date	Docket No.	Docket Name	Event & Registration
9/13/2024 9:00am	21-05-15RE01	PURA Investigation into Performance Mechanisms for a Performance-Based Regulation Framework	Hearing - Hearing Room 1
9/19/2024 10:00am	24-08-08	Non-Wires Solutions Process Initiation Phase	Technical Meeting
9/20/2024 10:00am	23-08-07	Innovative Energy Solutions Program Cycle 02	Technical Meeting
9/24/2024 9:00am	21-09-17	PURA Investigation into Medium and Heavy-Duty Electric Vehicle Charging	Technical Meeting
9/25/2024 1:00pm	21-05-15RE02	PURA Investigation into Revenue Adjustment Mechanisms for a Performance-Based Regulation Framework	Technical Meeting - Hearing Room 1

Planned Final Opportunities to Comment

Date	Docket	Docket Title	Event Type
7/16/2024	24-05-21	Application Of The Connecticut Light And Power Company dba Eversource Energy For Approval Of The Issuance Of Long-Term Debt	Written Exceptions
7/26/2024	24-01-04	PURA Annual Review of the Rate Adjustment Mechanisms of The United Illuminating Company	Written Exceptions
7/26/2024	17-10-34RE01	Appeal Petition Pursuant to Connecticut General Statutes 16-235 Aquarion Water Tank, Westport, CT – Project Review	Written Exceptions
7/30/2024	24-01-03	PURA Annual Review of the Rate Adjustment Mechanisms of The Connecticut Light and Power Company	Written Exceptions
8/6/2024	24-01-41	Request to Transfer Community Access Provider Designation	Written Exceptions
8/8/2024	24-04-15	Appeal of Tree Warden's Decision Pursuant to General Statutes 16-234(c)(6)	Written Exceptions
8/9/2024	24-05-01	Annual Review of Affordability Programs and Offerings (ENERGY AFFORDABILITY ANNUAL REVIEW)	Briefs
8/19/2024	24-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 4	Briefs
8/21/2024	24-02-03	2024 PURA Review of and Report on Connecticut Public Service Company Emergency Response Plans	Written Exceptions
9/16/2024	24-08-03	Annual Non-Residential Renewable Energy Solutions Program Review - Year 4	Briefs
9/24/2024	24-08-06	Annual EV Charging Program Review - Year 4	Briefs
9/25/2025	23-11-02	Application of Connecticut Natural Gas Corporation and The Southern Connecticut Gas Company to Amend Their Rate Schedules	Written Exceptions
9/26/2024	24-08-05	Annual Energy Storage Solutions Program Review - Year 4	Briefs
9/30/2024	24-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 4	Written Exceptions

PURA Regular Meeting Dates & Planned Final Decisions

Regular Meeting Date	Docket No.	Docket Title
7/10/2024	13-02-20WI26	Application of Aquarion Water Company of Connecticut for Approval of Water Infrastructure and Conservation Adjustment Projects
	23-08-02	Annual Residential Renewable Energy Solutions Program Review - Year 3
	23-11-04	PURA Implementation of the Legal Services Funding Provisions of Section 30 of Public Act 23-102
	24-01-15	Petition of Office of Consumer Counsel for Investigation of Quality of Service Standards for The Southern New England Telephone Company d/b/a Frontier Communications
	24-02-15	Application of Aquarion Water Company of Connecticut for Approval of the Issuance of Long-Term Debt in the Principal Amount of up to \$118,516,577
7/24/2024	24-05-21	Application Of The Connecticut Light And Power Company dba Eversource Energy For Approval Of The Issuance Of Long-Term Debt
7/31/2024	22-07-01RE01	Application Of Aquarion Water Company Of Connecticut To Amend Its Rate Schedule - Remand
8/7/2024	17-10-34RE01	Appeal Petition Pursuant to Connecticut General Statutes 16-235 Aquarion Water Tank, Westport, CT – Project Review
8/14/2024	24-01-03	PURA Annual Review of the Rate Adjustment Mechanisms of The Connecticut Light and Power Company
	24-01-04	PURA Annual Review of the Rate Adjustment Mechanisms of The United Illuminating Company
	24-01-41	Request to Transfer Community Access Provider Designation
8/28/2024	24-02-03	2024 PURA Review of and Report on Connecticut Public Service Company Emergency Response Plans
	24-04-15	Appeal of Tree Warden's Decision Pursuant to General Statutes 16-234(c)(6)

Click here to stream PURA's Regular Meetings

PURA 101 Workshops



The Authority will resume the PURA 101 Workshop series this spring. To request a PURA 101 presentation on site or via Zoom, compose an email to Taren.OConnor@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.

Watch the Below Videos to Help You Interpret Your Electric Bill

EVERSOURCE CUSTOMERS



UI CUSTOMERS



PURA 101



PURA In the News

4/3/2024 Westfair Online

<u>PURA Newsletter highlights</u> <u>stakeholder participation funding</u>

4/13/2024 ISPL

Regulatory Sandboxes and Innovation-Friendly Regulation:
Between Collaboration and Capture

5/31/2024 CT News Junkie

State Officials Praise PURA's Draft
Decision to Reduce Connecticut
Water's Rate Hike Request

6/6/2024 CT Insider

Here's How CT Utilities Are
Preparing for an Unexpected
Severe Hurricane Season

6/9/2024 CBIA

PURA's Gillett: Grid Needs
'Continued Investment'

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