



The United Illuminating Company

Docket No. 22-08-08

Application of The United Illuminating Company
to Amend its Rate Schedules

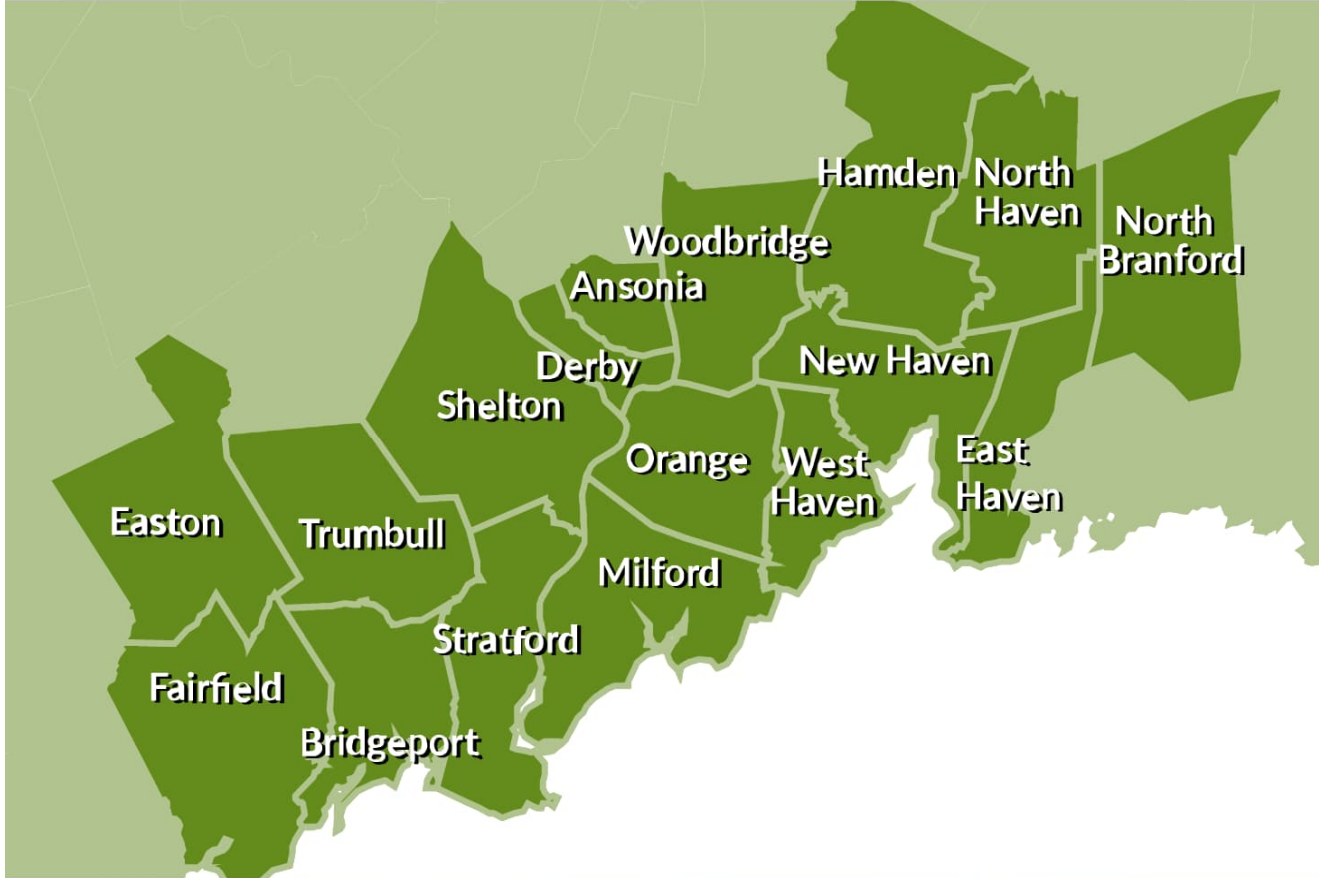
Rate Case Overview

Public Hearings

October 19, 2022 - Northford
November 29, 2022 – New Haven
December 13, 2022 - Virtual
December 15, 2022 - Virtual



UI Rate Case – Statewide View



□ With a commitment to the well-being of the communities we serve, UI creates sustainable value for our customers by providing reliable service and investing in innovative technologies to make the electric grid more resilient.

- The United Illuminating Company (UI) is a subsidiary of AVANGRID, Inc.
- Established in 1899.
- Serves 17 municipalities in the southwestern part of Connecticut.
- Serves approximately 341,000 customers.
- Operates approximately 3,600 miles of electric distribution lines.
- Received the Edison Electric Institute's Emergency Recovery Award in 2019 and 2021.

UI Rate Case - Background

- ❑ Current rate plan was approved in 2016 based on a 2015 test year.
 - Last rate increase was on Jan. 1, 2019.
 - Distribution rate reduction in 2021.
 - Rates have increased well below the rate of inflation since 2015.

- ❑ New Rates expected in September 2023 - almost **5 years** without a distribution rate increase.

- ❑ Current rates are insufficient to recover the current cost of providing safe and reliable service to customers.

- ❑ Revenue deficiency is due primarily to:
 - Capital investments to maintain and improve the safety, reliability and resilience of the electric distribution system.
 - Costs necessary to ensure a high level of emergency preparedness and response in conformance with performance standards.
 - Increases in certain operating costs.

UI Rate Case – Overview of Plan Objectives

Proposed Rate Plan will:

- ❑ Enable UI to continue to **provide safe and reliable service** while *maintaining top quartile reliability* and *increasing the resiliency of the system* to meet customers' evolving expectations.
- ❑ Make important **foundational investments** in the electric distribution system.
- ❑ Provide support for disadvantaged communities through proposed **low-income rates** and the state through a proposed **economic development rate**.
- ❑ Provide additional investment in **clean energy innovation and grid modernization** to serve customers.
- ❑ Pay for **increased costs** outside the Company's control.

UI Rate Case – Key Proposals

Performance-Based Metrics Demonstration Program

- Track and report on: (1) DER interconnection; (2) EV managed charging; (3) electric storage adoption; (4) Net Promoter Score (“NPS”); and customer e-bill adoption.

Capital Investment Program

- \$140M - \$157M each year from 2023 – 2026

UPZ

Grid Modernization

- Targeted investments to support clean energy generation, EV and energy storage.

CLEAN EARTH Initiative

Customer Service Enhancements

- Fee Free Credit/Debit Card Payments

EV, Battery Storage, Low-Income, and Economic Development Rates

UI Rate Case – Bill Impacts

❑ Total Bill Impact:

- Average All Classes – 8.1% (RY1 unlevelized) or 4.9% (levelized)
- Rate R – Typical (700 kWh/month) 8.1% (RY1 unlevelized) or 5.5% (RY1 levelized)

		Avg. All Rate Classes	Typical Rate R (700 kWh/mo)	Typical Rate R Monthly Bill Impact
<u>Rate Year 1</u>				
	Unlevelized	8.1%	8.8%	\$ 16.63
	Levelized	4.9%	5.5%	\$ 10.37
<u>Rate Year 2</u>				
	Unlevelized	1.5%	1.5%	\$ 2.89
	Levelized	4.8%	5.0%	\$ 9.37
<u>Rate Year 3</u>				
	Unlevelized	1.5%	1.5%	\$ 2.77
	Levelized	4.7%	4.9%	\$ 9.15

UI Rate Case – How can you get involved?

Public comment hearings:

- Edward Smith Library, 3 Old Post Rd, Northford at 5:30 pm on October 19th
- New Haven Municipal Building, 200 Orange Street, New Haven, at 5:30 pm on November 29th
- Via zoom at 12:00 pm on December 13th & 7:00 pm on December 15th

Evidentiary hearings:

- 10 Hearing Days tentatively scheduled for February 16th through March 2nd

How can Customers provide comments?

- Attend hearings
- Write to PURA at Ten Franklin Square, New Britain, CT 06051
- E-mail to PURA.ExecutiveSecretary@ct.gov.

Questions about the public hearings?

- Contact PURA at (800) 382-4586 (toll-free in CT)
- Check our website at www.uinet.com

Please refer to [Docket Number 22-08-08](#) in any correspondence.