

Marissa Paslick Gillett, Chairman
John W. Betkoski III, Vice-Chairman
Michael Caron, Commissioner

Public Utilities Regulatory Authority, 10 Franklin Square
New Britain, CT 06051

December 8, 2022

Re: Docket No. 17-12-03RE08, Response to Motion No. 043, Requesting Adoption of Undergrounding Report

Dear Chairman Gillett, Vice-Chairman Betkowski and Commissioner Caron:

I wholeheartedly support the adoption of an interim undergrounding strategy. However, the inevitability of undergrounding, against protestations by Eversource about cost, should not be used by Eversource as an opportunity for a rate-hike bonanza.

Step 1 of the basic structure set forth in the Motion contains 8 criteria for categorization of undergrounding projects. The last criteria, clause viii, specifies “Environmental justice, community needs, medical issues, commercial and industrial customer needs as discussed in the 17-12-03RE08 decision”. The Garden Club of New Haven has suggested that this clause be expanded to read: “Environmental justice, community needs, medical issues, commercial and industrial customer needs as discussed in the 17-12-03RE08 decision *including the environmental, health, safety and other benefits of trees saved due to undergrounding*¹.....”

¹ Specifically with regard to climate change, a robust tree canopy provides mitigation of greenhouse gases due to carbon capture, and is critical to climate adaptation and resilience -- reducing the stress of heat by providing shade, lowering cooling and heating bills by reducing demand, absorbing stormwater and reducing flooding, and improving air quality by removing pollutants. Other benefits include increased property values, increased business income, protection of street pavement, improved mental and physical health, noise reduction, safer communities and traffic calming (reduction in traffic speed).

I agree with the GCNH comments and would suggest that, in addition to using these criteria, as clarified by GCNH, for evaluation of undergrounding projects and priorities, they also be taken into account in calculating any rate increase to fund those projects. The Motion anticipates that the capital budget required for undergrounding will be included in the Rate Adjustment Mechanism which should mean that the overall cost of undergrounding and the associated burden to ratepayers should be considered at the same time.

For decades, ratepayers have paid to lose the health and environmental benefits afforded by trees – they should not have to pay again to preserve them. While the offsets to rate increases suggested below go some way to restitution, ratepayers, particularly those in environmental justice communities, should be offered some additional offset to recognize lost benefits that may never be recovered in their lifetimes and to assign some accountability for those losses. The criteria in clause viii, as revised by the GCNH suggestions, can² be assigned an economic value and while it might be impossible to arrive at an accurate valuation of benefits lost historically, an approximation of such loss could be calculated and offered as rate offset.

The Motion also references the economic losses that could have been prevented if hardening measures such as undergrounding had been taken sooner. To avoid double charges to ratepayers, these avoided costs, together with savings from reduced vegetation management, should also be taken into account as direct offsets against projected rate increases.

A further reduction in cost could be achieved if utilities were required, in connection with any potential project, to apply for federal funds where available. It should also be possible to structure new grant programs offered by the Department of Energy and Environmental Protection's Division of Forestry (through an anticipated \$7 mn bond funding and funds expected to be available late 2023 from the Inflation Reduction Act), to assist municipalities where, for example, undergrounding projects preserve trees or allow for new plantings. I would suggest that PURA and DEEP coordinate on this possibility.

² See, for example, the 2018 [valuations](#) of tree canopy undertaken by WestCog. A similar exercise was undertaken by the City of Hartford prior to enactment of its Tree Ordinance.

I appreciate that the scope of work of the Office of Education, Outreach and Enforcement did not cover rate-setting. However, for decades, ratepayers have borne the cost of an aging infrastructure and failed policies of vegetation management leading to sustained outages in storms. It seems only fair, now that an undergrounding strategy is finally on the table, that these issues be considered early in the process so as to avoid double dipping, provide some accountability and ensure that the public is not deterred from supporting this strategy by EDCs messaging fears around its cost.

Thank you for the opportunity to submit these comments.

Respectfully,

Juliet Cain