Welcome to your CDP Water Security Questionnaire 2022

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Eversource Energy (NYSE: ES) operates New England's largest energy delivery system. Eversource is committed to safety, reliability, environmental leadership and stewardship for its 4.4 million electric, natural gas and water customers in Connecticut, Massachusetts and New Hampshire. Sustainability is an integral part of Eversource's operations and strategy.
Eversource is a public utility holding company. Its utility subsidiaries are The Connecticut Light and Power Company, NSTAR Electric Company, Public Service Company of New Hampshire, NSTAR Gas Company, Eversource Gas Company of Massachusetts, Yankee Gas Services Company and Aquarion Company (Aquarion). Eversource is engaged primarily in the energy and water delivery business. Our natural gas subsidiaries serve industrial, commercial and residential customers. Our electric utilities are primarily involved in the transmission and distribution of electricity and serve industrial, commercial and residential customers. As we do not own generation aside from 70 MW of solar, we do not utilize water for generation activities. Rather, our water use is focused on consumption at our facilities and our water utility Aquarion which provides water services to approximately 216,000 residential, commercial, industrial, municipal and fire protection and other customers, in 57 towns and cities in Connecticut, Massachusetts and New Hampshire, with approximately 93% of Aquarion's customers based in Connecticut.
Aquarion obtains its water supplies from owned surface water sources (reservoirs) and groundwater supplies (wells) with a total supply yield of approximately 118 million gallons per day, as well as water purchased from other water suppliers. Approximately 99% of our annual production is self-supplied and processed at nine surface water treatment plants and numerous well stations, which are all located in Connecticut, Massachusetts, and New Hampshire.
The capacities of Aquarion's sources of supply, and water treatment, pumping and distribution facilities, are considered sufficient to meet the present requirements of Aquarion's customers under normal conditions. On occasion, drought declarations are issued for portions of Aquarion's service territories in response to extended periods of dry weather conditions.
Aquarion's properties consist of water transmission and distribution mains and associated valves, hydrants and service lines, water treatment plants, pumping facilities, wells, tanks,

meters, dams, reservoirs, buildings, and other facilities and equipment used for the operation of our systems, including the collection, treatment, storage, and distribution of water.
Eversource is committed to the protection of water resources through conservation, water quality management and water saving technologies.
• Our water delivery subsidiary, Aquarion Company, administers conservation programs to ensure that local water supplies remain sufficient for critical needs such as human consumption and fire protection. Long-range initiatives are underway to ensure the reliability of our sources of supply into the future.
• Aquarion's reservoirs are surrounded by more than 15,000 acres of forest, which serve as both a critical safeguard and an invaluable resource. This commitment to providing the highest quality water is evidenced by actions such as the acquisition of a conservation easement in Connecticut and additional property in New Hampshire in order to increase the amount of area protected for drinking water supply.
• We conduct site inspections and monitor land use activities and water quality at locations throughout our watershed and aquifer areas.
With climate change as one of the greatest challenges facing the globe, we know timely action and innovative solutions are vitally important. Changing weather patterns due to climate change have made it necessary to plan for more severe weather events across our service territory. Additionally, more extreme temperatures increase customer demand on our systems. More frequent intense storms may lead to:
• Increased coastal erosion and damage to infrastructure.
• Increased levels of various contaminants to our reservoirs due to high volume run-off.
• Increased operating costs due to storm damage, additional treatment of contaminants and employee resources.

Increased periods of dry weather may lead to falling reservoir and groundwater levels, which could impact water availability and quality. Safe Harbor Statement: References and forward-looking statements in this CDP Water Security Questionnaire including discussions of risks and opportunities are based on our best assessments and expectations related to Eversource's current and future performance related to climate-change. The responses to questions in this filing should not be given undue reliance pursuant to the terms described in Eversource's Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995 provided in our 2020 Annual Report on Form 10-K.

W-EU0.1a

(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?

Electricity generation
Transmission
Distribution
Other, please specify
Aquarion Water Company (AWC), a subsidiary of Eversource, contributes most to the company's water footprint. This is particularly true since Eversource divested in fossil-fuel based generation in 2018. 99% of water withdrawal and use is from AWC.

While Eversource operates New England's largest energy delivery system through its electric and natural gas services, the most significant impacts to the Company's water footprint come from its water utility subsidiary, Aquarion Water Company (AWC). This is particularly true since Eversource divested in all fossil-fuel based generation as of 2018. 99% of water withdrawal and use is associated with the water utility business.

W-EU0.1b

(W-EU0.1b) For your electricity generation activities, provide details of your nameplate capacity and the generation for each technology.

	Nameplate capacity (MW)	% of total nameplate capacity	Gross electricity generation (GWh)
Coal – hard	0	0	0
Lignite	0	0	0
Oil	0	0	0
Gas	0	0	0
Biomass	0	0	0
Waste (non-biomass)	0	0	0
Nuclear	0	0	0
Fossil-fuel plants fitted with carbon capture and storage	0	0	0
Geothermal	0	0	0
Hydropower	0	0	0
Wind	0	0	0
Solar	70	100	77.5
Marine	0	0	0
Other renewable	0	0	0
Other non-renewable	0	0	0
Total	70	100	77.5

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2021	December 31, 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Data related to Aquarion's contract operations is excluded.	This consists of one contract to run a wastewater treatment plant for New Hartford, CT which is owned by the municipality. The operation is unique in that is a contract operation (not owned by Aquarion) and a wastewater facility (Aquarion's owned utility assets are potable water assets). We have excluded this contract operation from our CDP disclosure to provide clarity. Reported potable water use at the New Hartford wastewater facility for calendar year 2021 is 165,040 gallons, or 0.72% of the total reported in our disclosure and the facility treated and discharged 16.469 million gallons of wastewater, or less than 0.01% of the reported discharges in our disclosure.
Potable water use at locations with low occupancy such as Eversource substations and gate stations is not included in this disclosure.	While the contribution of potable water at our low-occupancy locations is not believed to be significant to our overall water footprint, we are in the process of refining our tracking methods for this water use and intend to include related data in future disclosures. Our low-occupancy locations generally have few, if any, employees assigned only to the sites and in many instances may not have potable water.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a CUSIP number	It's CUSIP is 30040W108.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Vital	Eversource's drinking water: Primary use in direct operations: ES/AWC relies on good quality surface water and groundwater in sufficient volume in order to provide treated potable water to its customers. Primary use in indirect operations: Aquarion relies on the availability of third-party wholesale water in certain locations to supplement the distribution to our customers. Third-party or "purchased" water is less than 1.5% of our total production, however, is a vital asset for reliability and resilience in specific locations. Customers: the availability of good quality freshwater, for our direct and indirect uses specified above, is vital to our customers, and, hence, to our business. Aquarion continues to encourage conservation of resources and to pursue alternatives to the use of treated potable water for industrial uses such as equipment cooling. As a drinking water utility, sufficient amounts of good quality freshwater will remain vital for both direct and indirect uses to Aquarion's business.
Sufficient amounts of recycled,	Important	Not important at all	Primary use in direct operations: ES/AWC relies on its own internally recycled water at various facilities. Sources of recycled water include

brackish and/or produced water available for use			surface water treatment processes, filter backwash, and online analyzer effluent. The water recycled from these processes makes up approximately 5.7% of the treated water that we distribute to our customers and results in an equivalent reduction in the volume of withdrawal required from our raw water sources. Retaining this supply of recycled water will remain important to Aquarion's business, for the purposes specified above. Primarily used in indirect operations: Aquarion does not indirectly rely on recycled, brackish or produced water. Future dependence on recycled water from our internal processes is to remain important for Aquarion for conservation of natural resources and efficient use of the raw water supply.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	For the Eversource drinking water subsidiary, AWC, the volume of water withdrawn from reservoirs and wells is measured with the flow meters connected electronically to our data management system. Instantaneous flow, flow totals, and historic trends are updated every six seconds. Month-end data verification steps are in place to support monthly and annual reporting. Withdrawal volumes are reported annually to state regulatory authorities and for diversion reporting, where required. The water withdrawn for other Eversource locations is quantified for all major and regularly occupied facilities and operations. The total withdrawal volumes are also reported in the annual 2021 Eversource Sustainability Report (pg. 80).

Water withdrawals – volumes by source	76-99	The volumes of water withdrawn from the AWC reservoirs and wells are measured with flow meters connected electronically to our data management systems. Instantaneous flow, flow totals, and historic trends are updated every six seconds. Withdrawal volumes are reported annually in a water quality report prepared for each distribution system. The water withdrawn for Eversource's other major and regularly occupied facilities and operations is predominantly municipal water for typical potable uses. Additionally, the total withdrawal volumes are reported annually (see page 80 of our 2021 Eversource Sustainability Report).
Water withdrawals quality	76-99	AWC's surface water reservoirs are sampled monthly during the summer and fall to assess raw water quality and optimize treatment, to prevent harmful algal blooms. As raw water enters treatment facilities it is monitored for parameters to optimize treatment and assure compliance with the Safe Drinking Water Act (SDWA). Parameters, including pH and turbidity, are monitored with in-line analytical equipment that transmits data to our electronic data management system. Instantaneous data and historic trends are updated every six seconds. Other parameters, like VOCs, are sampled at the frequency required by the SDWA and analyzed in certified labs. Emerging contaminants like PFAS substances are sampled and reported voluntarily. Treated water is sampled for more than 100 compounds at varying frequencies (instantaneous, daily, monthly, annually, etc.) and reported to our regulators and customers. Water Quality Reports are available at www.aquarionwater.com/water-quality/water-quality-reports.
Water discharges – total volumes	76-99	The total volume of discharges for AWC includes directly measured flows from facilities, calculations based on tank and tanker truck volumes, and estimations from the discharge of water through tank draining, water main flushing, and water quality analytical equipment. Most of Aquarion's discharges are water discharged from our distribution system without flowing through a customer meter. These discharges include leaks

		throughout the water systems, water used for flushing and flow tests, and theft. Other calculated volumes (flow from water main flushing, tanker truck haul discharge) are entered as work is performed. Estimated discharge volumes from analytical instrumentation is calculated annually. A small portion of the discharges are measured on a continuous basis where flow meters are connected electronically to our data management system, updating instantaneous and totalized flow data every six seconds.
Water discharges – volumes by destination	76-99	For AWC, the volume of water discharged from the well stations, pump stations and treatment facilities is tracked by the discharge location and is measured. Discharge volumes are reported periodically to state regulatory authorities, where required.
Water discharges – volumes by treatment method	76-99	The majority (99.5%) of AWC discharges are discharged to the natural environment without treatment These discharges also include inline analyzer water (of potable drinking water quality) that is directed to the groundwater (or ground surface) and groundwater discharged to surface water from an interceptor well (2%). A small percentage (<0.05%) of total discharge volume from fire flow testing, flushing and tank draining is dechlorinated (category “Other”). 27% of our discharges from both Eversource and Aquarion are treated at municipal wastewater treatment facilities.
Water discharge quality – by standard effluent parameters	76-99	For AWC, the quality of water discharged from the well stations, pump stations and treatment facilities is analyzed through in-line instrumentation, and/or periodic grab samples collected at the prescribed frequency, and analyzed for discharge parameters as required by permit or regulation. Results of these analyses are reported in compliance with applicable permits and regulations.
Water discharge quality – temperature	1-25	Temperature is monitored at AWC surface water treatment locations; however, except for a small number of emergency generators that utilize water for cooling, the discharges are at ambient temperature and monitoring for temperature is not required by permit or regulation.

Water consumption – total volume	76-99	Consumption of water at Eversource and Aquarion facilities is metered. While the meters are continuously recording flow, they are read monthly. Consumptive use is reported in our Sustainability Report.
Water recycled/reused	76-99	For AWC, the volume of recycled/reused water is measured on a continuous basis with the flow meters connected electronically to our data management system. Instantaneous flow, flow totals, and historic trends are updated every six seconds. Daily data is available. Month-end data verification steps are in place to support monthly and annual reporting.
The provision of fully-functioning, safely managed WASH services to all workers	100%	The provision of fully functioning and safely managed WASH services to all workers is monitored through at a minimum of annual audits at office buildings and at the drinking water treatment sites, in accordance with the health & safety policies implemented across the company.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	116,176.87	About the same	99% of the water withdrawn for Eversource is for the purposes of Aquarion's water distribution. These withdrawals are sourced from surface water reservoirs, groundwater from production wells, and the purchase of third-party water from similar water utilities. While demand varies with seasonal weather, they are reasonably consistent. Our total withdrawals have remained similar to the previous reporting year. We work to manage demand through active conservation programs. As we grow our water business and add customers, we can anticipate total withdrawals to grow over time.
Total discharges	18,554	About the same	For Aquarion, the total discharges are composed of discharges of water treatment wastewaters from our surface water treatment

			plants, inline instrumentation, tank draining, and discharge from remedial intercept wells. Additionally, Aquarion measures “Non-Revenue Water,” which represents water that is discharged from our distribution system without flowing through a customer meter. These discharges include leaks throughout the water systems, water used for flushing and flow tests, as well as theft. Aquarion monitors Non-Revenue Water as a KPI with monthly targets and reduction goals. Due to consistent demand levels, our total discharges have remained similar to the previous reporting year. As we look to grow our water business and add customers, we anticipate total discharges to grow over time.
Total consumption	112.7	About the same	Water consumption represents the water used by all Eversource occupied facilities that do not treat and distribute water for the Aquarion business. Approximately 2.65 ML and 110 ML of water was consumed at Aquarion and Eversource facilities, respectfully. Due to consistent operational conditions, our total consumption remained similar to the previous reporting year. We are piloting a hybrid work schedule at the Eversource facilities that may reduce water consumption over time.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	Identification tool	Please explain
Row 1	No	WRI Aqueduct	In July 2022, we used the Aqueduct online tool provided by the World Resources Institute to evaluate our operating locations in relation to the tool’s indicators of water stress and water depletion. The results indicate that the majority of the operating geography of Eversource’s subsidiary, Aquarion Water Company, are located within areas of “Low” or “Low to Medium” water stress. Aquarion does have facilities located in central and eastern Massachusetts, central and southern New Hampshire, and south-eastern Connecticut, in areas with “medium to high”

			water stress. These facilities represent less than 7% of Aquarion's withdrawals. No facilities meet the definition of "High" (>40%) stress or depletion (>50%).

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	93,576.44	About the same	The Eversource drinking water subsidiary, AWC, operates reservoirs in Connecticut and New York. This source is relevant because Aquarion withdraws fresh surface water from the reservoirs for treatment and subsequent distribution for drinking and other potable uses. Aquarion's withdrawals are operated to meet the needs of the utility's customers.
Brackish surface water/Seawater	Not relevant			This source is not relevant because Eversource does not withdraw brackish surface water or seawater in its operations.
Groundwater – renewable	Relevant	20,944.5	About the same	The Eversource drinking water subsidiary, AWC, operates potable water utility systems throughout the States of Connecticut, Massachusetts, and New Hampshire. This source is relevant because Aquarion withdraws renewable groundwater from its wells for treatment and subsequent distribution for drinking and other potable uses. Aquarion's withdrawals

				are operated to meet the needs of the utility's customers.
Groundwater – non-renewable	Not relevant			This source is not relevant because Eversource does not withdraw non-renewable groundwater in its operations.
Produced/Entrained water	Not relevant			This source is not relevant because Eversource does not utilize produced water or entrained water in its operations.
Third party sources	Relevant	1,655.96	Lower	The Eversource drinking water subsidiary, AWC, operates potable water utility systems throughout the States of Connecticut, Massachusetts, and New Hampshire. This source is relevant because Aquarion purchases third-party water from other water utilities in order to supplement the potable water supply for subsequent distribution to our customers. Aquarion's total withdrawals are fairly consistent annually and are operated to meet the needs of the utility's customers; however, our withdrawals from third-party sources were lower due to the divestiture of a water system that relied on purchased water within the previous reporting year.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous	Please explain

			reporting year	
Fresh surface water	Relevant	346.39	Higher	The Eversource drinking water subsidiary, AWC, operates discharges to fresh surface water. These discharges are comprised of potable water from in line instrumentation, treated filter backwash, and raw groundwater from intercept wells containing salt impacts. Discharges are monitored and sampled in compliance with applicable permits and regulations. The volume has remained steady as these processes have not recently changed. A slight increase from last year is due to pump repairs made in mid 2020 at intercept wells that discharge to a fresh water river. Future discharges may increase due to acquisitions.
Brackish surface water/seawater	Not relevant			The Eversource drinking water subsidiary, AWC, does not have any known discharges to brackish surface water or seawater.
Groundwater	Relevant	18,032.49	Lower	The Eversource drinking water subsidiary, AWC, operates discharges to groundwater. These discharges are primarily comprised of potable water from in line instrumentation, and filter backwash directed to lagoon drying beds and underground infiltration structures. Discharges are monitored and sampled in compliance with applicable permits and regulations. The volume has remained steady as these processes have not recently changed. Future discharges may increase due to acquisitions.
Third-party destinations	Relevant	175.54	Higher	The Eversource drinking water subsidiary, AWC, operates

				discharges to third-party destinations. These discharges are comprised of in-line instrumentation and filter backwash. Discharges are monitored and sampled in compliance with applicable permits and regulations. The volume has remained steady as these processes have not recently changed. Future discharges are likely to decrease due to improvements currently under construction at the Aquarion Stamford Treatment Plant to recycle filter backwash water. Higher due to accounting for additional third party discharges not included in prior reporting.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant				The Eversource drinking water subsidiary, AWC, does not operate discharges requiring tertiary treatment.
Secondary treatment	Relevant	7.57	About the same	1-10	The Eversource drinking

					water subsidiary, AWC, operates discharges requiring secondary treatment. These discharges are generally characterized as finished potable water requiring chlorine removal before discharging to the environment. This volume is estimated.
Primary treatment only	Relevant	20.51	About the same	1-10	The Eversource drinking water subsidiary, AWC, operates discharges requiring only primary treatment. These discharges are generally characterized as filter backwash that is dewatered in open lagoons and drying beds, in

					accordance with regulations and/or permits promulgated by state environmental regulators.
Discharge to the natural environment without treatment	Relevant	18,248.49	About the same	61-70	The Eversource drinking water subsidiary, AWC, operates discharges that do not require treatment before discharge. These discharges are generally characterized as finished potable water and filter backwash discharged primarily to the ground surface for infiltration or to underground infiltration structures. The majority of this discharge is comprised of non-revenue water

					including leaks throughout the systems.
Discharge to a third party without treatment	Relevant	175.54	Lower	1-10	The Eversource drinking water subsidiary, AWC, operates discharges to third-parties (sanitary sewer). These discharges are generally characterized as water treatment waste water and sanitary wastes.
Other	Not relevant				Not relevant

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	9,863,085,000	116,176.87	84,897.1486320814	Increased Efficiency

W-EU1.3

(W-EU1.3) Do you calculate water intensity for your electricity generation activities?

No, and we have no plans to do so in the next two years

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for this coverage

Eversource is committed to sustainability in our supply chain and recognizes the importance of ethical behavior in both business relationships and in the workplace. Therefore, our supply chain sustainability program is focused on sharing our commitment to sustainability with all of our vendors. From training sessions with our Procurement Agents to targeted meetings with suppliers, we seek to identify opportunities that will further embed sustainability into our supply chain. Our suppliers are incentivized to report by our shared commitment to manage resources ethically and sustainability, and potentially find efficiencies that can lead to costs savings. In 2021, we asked nearly 100% of suppliers participating in a sourcing event to respond to a series of sustainability questions that score their ESG efforts including environmental initiatives or goals such as water conservation.

Impact of the engagement and measures of success

Eversource requires all vendors to adhere to our Supplier Code of Business Conduct. We actively support industry-wide expansion of supply chain sustainability through participation in the Electric Utility Industry Sustainable Supply Chain Alliance (“EUISSCA”). EUISSCA is a collaboration of utilities working together to advance sustainability best practices in utility supply chain activities and supplier networks. Focusing on non-fuel suppliers, EUISSCA’s goal is to work with industry suppliers and other interested parties to improve environmental performance and advance sustainable business.

Our Supplier Request for Proposal process includes environmental, social and governance questions that seek to identify environmental improvement opportunities, any environmental compliance violations, and whether they publicly report voluntary goals. Scores for all awarded vendors are tracked on an ongoing basis to monitor progress and ensure supplier compliance with laws and regulations. The program serves to:

• Understand supplier sustainability efforts
• Communicate our commitment to sustainability
• Screen to differentiate supplier choice if all else is equal

• Establish a baseline of supplier sustainability performance
• Enable tracking progress
• Encourage conversations on sustainability opportunities in our supply chain

Responses to questions asked of suppliers in RFP's can be found on page 84 of Eversource's 2021 Sustainability Report. Success is measured and reported by % of suppliers meeting our standards in each sustainability area summarized above.

Comment

Responses to questions asked of suppliers in RFP's can be found on page 84 of Eversource's 2021 Sustainability Report.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Inclusion of water stewardship and risk management in supplier selection mechanism
Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

As part of the sustainability questions included in Eversource's sourcing process, in 2021 nearly 100% of suppliers were asked about their environmental compliance, which includes water-related matters. We also have a subset of Suppliers that complete a detailed questionnaire annually, using The Sustainability Project (TSP) that specifically report on water discharged, water recycled and reused, and water withdrawn. They are also asked if their water data has been third-party verified and if their water performance is publicly reported.

Additionally, we require all suppliers and the individuals they assign to support Eversource to read, understand, acknowledge and comply with our Supplier Code of Business Conduct, which sets the expectation that they" follow the letter and spirit of environmental protection laws and Eversource policies and procedures. Suppliers must be committed to environmental compliance, stewardship, leadership and accountability. Suppliers must be environmentally responsible in all business decisions and operations

for or on behalf of Eversource. Suppliers must ensure Eversource procedures are strictly followed with respect to the environment of the communities Eversource serves. All suppliers must also adhere to our Eversource Environmental Policy." As they all play pivotal roles in our sustainability efforts, all of our suppliers are covered in this engagement. Once suppliers are selected and onboarded, we continue to engage vendors and expect strong environmental performance.

Impact of the engagement and measures of success

If a given vendor is found to be out of compliance with environmental regulations, including polices related to water, this would be considered grounds for pursuing corrective actions or potential termination of a contract depending on the severity of offense. Success is measured by compliance rates. By prioritizing this compliance, we have helped ensure that our entire supply chain meets our high standards for water stewardship.

Comment

No further comments

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Our drinking water utility, AWC, has prioritized customer engagement in conservation efforts as the most relevant aspect of value chain engagement. Our water withdrawal volume is directly linked to customer demands. Reducing customer demands reduces our withdrawal volume, which in turn improves the sustainability of the resource for customers and the natural environment, as well as improving the reliability of our infrastructure and reducing our carbon footprint. A nationally recognized conservation expert analyzed customer demands to assess opportunities for demand reductions. Our formal conservation program began in 2017 with a mandatory twice weekly irrigation schedule in towns with high seasonal usage. Decoupled rates in Connecticut, home to 93% of our customer base, allows us to pursue this important sustainability initiative and be stewards of the resource without eroding revenue. The initial twice-weekly irrigation program established a goal of saving 360 million gallons annually (compared to a baseline of the 5-year average production prior to the implementation of the program). Success is measured in relation to this target. It has been met or exceeded each year. In 2021, the program included six towns. Over time, it will be expanded throughout Aquarion's service territory in Connecticut, with additional targets for water savings developed as the program is expanded. Achieving measurable results in our conservation programs is vital to ensure the sustainability of our water supply, the reliability and resilience of our infrastructure; reducing our carbon footprint; and our ability to mitigate the environmental impact of our water withdrawals (i.e., to allocate appropriate streamflow).

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

United States of America

Other, please specify

New England Regional River Basins

Type of impact driver & Primary impact driver

Chronic physical

Declining water quality

Primary impact

Increased operating costs

Description of impact

Groundwater contamination incidents result in increased operating expense for our drinking water utility, AWC. Examples include inadequate road salt storage at a maintenance facility upgradient of drinking water production wells and the prevalence of per- and polyfluoroalkyl (PFAS) in groundwater. In the first example, sodium enters the aquifer in concentrations not suitable for drinking water. An interceptor well is required to be installed and operated as a means of controlling the plume so that existing sources of supply can be utilized. Emerging contaminants like PFAS similarly are found to be harmful to human health and state and federal regulations imposed. The presence of PFAS above regulatory limits require that we abandon sources of supply, explore opportunities to obtain or install additional sources of supply, and/or install treatment systems. There is an opportunity cost for the capital required to install the treatment infrastructure as well as an ongoing maintenance and power expense. These detrimental impacts are mitigated by our regulatory framework. The costs are generally recoverable. However, they pose a risk to our ability to deliver our capital plan and contain expenses to keep the cost of service reasonable for customers.

Primary response

Other, please specify

Implement treatment solutions, seek interconnections, abandon sources

Total financial impact

Description of response

The discovery of groundwater contamination by regulated and emerging contaminants results in the need to abandon sources of supply, seek additional sources of supply and/or the installation of treatment systems that require both capital investment and ongoing power and maintenance operating expense.

Impact is not quantified financially. When encountering groundwater contamination or responding to new/revised regulatory requirements related to man-made groundwater contaminants, several alternatives are explored, including: abandoning sources of supply where redundant supplies exist; installing new sources of supply (wells) to replace contaminated supplies; establishing interconnections with abutting water systems; and installing treatment systems. Capital costs are fixed, one-time costs. Purchasing wholesale water from neighboring utilities and operating new treatment systems are ongoing, recurring expenses. Our regulatory framework allows recovery for the prudent capital and expense costs related to the treatment of drinking water for public water supply. AWC does track the incremental costs of treatment systems or purchased water stemming from man-made contamination separately from costs associated with treating naturally occurring organic and inorganic substances that require treatment or removal to comply with all aspects of the Safe Drinking Water Act.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, enforcement orders or other penalties

W2.2b

(W2.2b) Provide details for all significant fines, enforcement orders and/or other penalties for water-related regulatory violations in the reporting year, and your plans for resolving them.

Type of penalty

Enforcement order

Financial impact

0

Country/Area & River basin

United States of America

Other, please specify

Housatonic River Basin

Type of incident

Incorrect administration of permits, standards, or regulations

Description of penalty, incident, regulatory violation, significance, and resolution

Failure to sample, report, and/or provide notification in the regulatory timeframe. Tier 2 and Tier 3 violations of the Safe Drinking Water Act. Significance of the violation is minimal as the water continues to meet drinking water standards and impact was reputational. The incidents were resolved by submitting sample results and/or notifications.

Type of penalty

Enforcement order

Financial impact

0

Country/Area & River basin

United States of America

Other, please specify

Housatonic River Basin

Type of incident

Incorrect administration of permits, standards, or regulations

Description of penalty, incident, regulatory violation, significance, and resolution

Failure to sample, report, and/or provide notification in the regulatory timeframe. Tier 2 and Tier 3 violations of the Safe Drinking Water Act. Significance of the violation is minimal as the water continues to meet drinking water standards and impact was reputational. The incidents were resolved by submitting sample results and/or notifications.

Type of penalty

Enforcement order

Financial impact

0

Country/Area & River basin

United States of America

Other, please specify

Housatonic River Basin

Type of incident

Incorrect administration of permits, standards, or regulations

Description of penalty, incident, regulatory violation, significance, and resolution

Failure to sample, report, and/or provide notification in the regulatory timeframe. Tier 2 and Tier 3 violations of the Safe Drinking Water Act. Significance of the violation is minimal as the water continues to meet drinking water standards and impact was reputational. The incidents were resolved by submitting sample results and/or notifications.

Type of penalty

Enforcement order

Financial impact

0

Country/Area & River basin

United States of America

Other, please specify

Housatonic River Basin

Type of incident

Incorrect administration of permits, standards, or regulations

Description of penalty, incident, regulatory violation, significance, and resolution

Failure to sample, report, and/or provide notification in the regulatory timeframe. Tier 2 and Tier 3 violations of the Safe Drinking Water Act. Significance of the violation is minimal as the water continues to meet drinking water standards and impact was reputational. The incidents were resolved by submitting sample results and/or notifications.

Type of penalty

Enforcement order

Financial impact

0

Country/Area & River basin

United States of America

Other, please specify

Westfield River

Type of incident

Incorrect administration of permits, standards, or regulations

Description of penalty, incident, regulatory violation, significance, and resolution

This was a notice of non-compliance for the cleanup criteria being mis-applied following a release of mineral oil from a transformer. The spill analytical results were compared to incorrect (but more stringent) cleanup criteria. A rotted pole caused a pole-mounted transformer to release approximately 19-gallons of non-PCB MODF. The release impacted the nearby seasonal stream, rock and surrounding soil. Response actions included the excavation of impacted soil, the cleaning of impacted rocks and the containment of MODF within the streams using absorbent boom and pads and vacuum extraction.

W3. Procedures

W-EU3.1

(W-EU3.1) How does your organization identify and classify potential water pollutants associated with your business activities in the electric utilities sector that could have a detrimental impact on water ecosystems or human health?

While Eversource operates New England's largest energy delivery system through its electric and natural gas services, the most significant impacts to the Company's water footprint come from its water utility subsidiary, AWC. This is particularly true since Eversource divested in all fossil-fuel based generation as of 2018. 99% of water withdrawal and use is associated with the water utility business. Therefore, the management of water pollutants associated with Eversource's electricity transmission and distribution is not applicable. However, water quality is extremely important to Aquarion and continuously monitored.

There may be water pollutants released from activities associated with Eversource's electric companies such as accidents caused by equipment impacts or storm damages. When a spill occurs, we identify what was released and remediate any environmental areas if needed. In the rare cases when a spilled substance does reach water, the appropriate regulatory agencies are notified, and any environmental impacts are remedied in accordance with local, state, and federal requirements.

Water quality is assessed for all systems and potential acquisitions. Raw water quality affects treatment costs and has a potential to result in treatment upsets, leading to reputational risks and/or adverse regulatory outcomes. Raw water quality may also impact growth opportunities. Surface water supplies are tested upstream and in reservoir. Surface and groundwater sources are tested throughout the treatment process and in the distribution system to optimize treatment and assure conformance with treatment standards and limits. Periodic grab samples and inline analytical instrumentation are used to monitor for a variety of parameters throughout the treatment process. Unregulated and emerging contaminants are monitored across all three states served by AWC. To conduct this monitoring, we collect water samples and send them to certified laboratories where they are analyzed for a variety of parameters using approved EPA

sampling methods and using equipment that meets all applicable state and federal regulatory standards.

W-EU3.1a

(W-EU3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants associated with your activities in the electric utilities sector on water ecosystems or human health.

Potential water pollutant	Description of water pollutant and potential impacts	Management procedures	Please explain
Other, please specify May include PCBs and mineral oil dielectric fluid (MODF)	Eversource's electric business has the potential for adverse impacts related to water pollutants mainly in the form of spills associated with oiled filled equipment such as transformers and pipe-type cables. Such spills are typically the result of accidents caused by equipment impacts or damages caused by severe storm conditions.	Measures to prevent spillage, leaching, and leakages	In accordance with environmental regulations and best practices, Eversource manages all potential sources of spills with extreme care understanding that these substances could introduce pollutants to the surrounding environment and waterways. Preventative measures to avoid spills and response plans to contain and remediate spills when they occur are formally described in Company Policies and Procedures. Additionally, the Company retains dedicated hazardous waste vendors available 24/7 to support timely responses to spills when they occur. Success of spill prevention and response is measured and evaluated by total spills, and response times for any spills that occur.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Enterprise risk management

Tools and methods used

COSO Enterprise Risk Management Framework

Contextual issues considered

Water availability at a basin/catchment level
Water quality at a basin/catchment level
Water regulatory frameworks

Stakeholders considered

Customers
Employees
Investors
Local communities
Regulators

Comment

Eversource uses a COSO Enterprise Risk Management framework for assessment of risks, which is designed to identify, describe and assess risks in terms of their impact to the business. Strategic, reputational, operations, customer, financial, environmental, and safety risks are assessed in terms of the likelihood and consequence should the impact occur. An annual assessment exercise is performed and quarterly review meetings are held for risk owners to review and update the status, mitigation, and management of the risks.

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Enterprise risk management

Tools and methods used

COSO Enterprise Risk Management Framework

Contextual issues considered

Implications of water on your key commodities/raw materials

Stakeholders considered

Suppliers

Comment

Eversource uses a COSO Enterprise Risk Management framework for assessment of risks, which is designed to identify, describe and assess risks in terms of their impact to the business. Strategic, reputational, operations, customer, financial, environmental, and safety risks are assessed in terms of the likelihood and consequence should the impact occur. An annual assessment exercise is performed and quarterly review meetings are held for risk owners to review and update the status, mitigation, and management of the risks. During supply chain risk assessment workshops, risks to our supply chain and availability of suppliers in the event of a flood are discussed.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Eversource continually identifies, assesses and responds to risks including water-related risks within our direct operations and in our supply chain, through our dedicated Enterprise Risk Management (ERM) program looking at short-, medium- and long-term time horizons. The Finance Committee is responsible for oversight of our ERM program and enterprise-wide risks, as well as specific risks associated with climate change, information security, cybersecurity, insurance, credit, financing and pension investments. Our COSO-aligned ERM program is integrated with the annual operating and strategic planning processes and is applied to identify and analyze risks that may adversely affect the achievement of objectives. These risks are presented to the Board of Trustees as part of the annual operating plan as well as the Board's annual strategic planning session.

Our ERM program applies a well-defined, enterprise-wide methodology designed to allow our executives to quantify, identify, categorize, prioritize, and mitigate the principal risks to the Company. The ERM program is integrated with other assurance functions throughout the Company, including compliance, auditing, and insurance to ensure appropriate coverage of risks that could have substantive financial or strategic impact to the Company. The top enterprise-wide and business level risks are identified using a comprehensive cross functional analysis working with key officers and employees of each organization, including their support functions, within the Company and are monitored throughout the year by the Company's Risk Committee. Climate change is considered a risk accelerator and driver of many of our top enterprise risks which have formal, actionable mitigation plans associated with them including the risk of rising water levels.

In addition to known risks, the ERM program identifies emerging risks through participation in benchmarking groups both within and outside the utility industry, discussions with management, and in consultation with outside advisers. Our management then analyzes the risks to determine materiality, likelihood and impact, and develops mitigation strategies. Management broadly considers our business model, the utility industry, the global economy, climate change and the current environment to identify risks.

Risks identified during the ERM process have formal, actionable, measurable mitigation plans, are monitored on a regular basis, and are reported to the Risk Committee and Executive management quarterly and semi-annually, respectively. In addition to the regularly scheduled reports by ERM of all of the company's enterprise-wide risks and the results of the ERM program, management reports periodically to both the Audit and Finance Committees in depth on specific top enterprise risks at the Company, including reporting on how these issues are being measured and managed. ERM also reports regularly to the Finance Committee on the activities of the Company's Risk Committee, which consists of senior officers and is responsible for ensuring that the Company is managing its principal enterprise-wide risks, as well as other key risk areas such as operations, environmental, information technology, compliance and business continuity. Through this process, we use the outcomes of the risk assessment to inform our Company decision-making process.

Particularly for our water utility, AWC, contextual issues that are assessed include water availability and water quality to ensure that we can continue to supply the service to our water customers that they expect. Any potential regulatory risks and impacts to local communities from our operations are also assessed to ensure that we are addressing and managing any identified risks

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

We define substantive for strategic impact as an impact that causes a major delay in the implementation of a strategic objective or inability to execute a strategic objective that impacts stock price. Our COSO-aligned ERM process considers both likelihood and impact on a 1-5 scale. We evaluate risks related to water each year both at our subsidiary level and the Eversource enterprise level. We define substantive as a risk scoring 4 (severe) or 5 (worst case) on the five-point scale of the ERM assessment process. Consistent with external reporting standards, 6-8% of pre-tax income is considered substantive.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	500	26-50	Eversource has identified approximately 4% of our electric substations that could be exposed to water risks. Additionally, all of our AWC facilities, which total approximately 500, could be exposed to water risk.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

United States of America

Other, please specify

Eversource considers all water basins across our New England operations when considering exposure to water risks

Number of facilities exposed to water risk

500

% company-wide facilities this represents

26-50

% company's annual electricity generation that could be affected by these facilities

Not applicable

% company's total global revenue that could be affected

1-10

Comment

In 2021, Aquarion represented about 2% of the total operating revenue from Eversource.
Eversource has identified 4% of our electric substations that may be exposed to water risk. Under Eversource's flood mitigation strategy for its electrical infrastructure, the Company hardens its existing substations and facilities that are subject to flooding and implements the necessary solutions to mitigate the effects of severe weather and climate change. New substations and facilities are built using the latest standards complying with the National Electric Safety Code (NESC), FEMA, American Society Of Civil Engineers (ASCE-24) and state and federal regulatory requirements.
Eversource, in partnership with local universities, has developed a substation flood vulnerability model that provides forecasting capabilities at different time intervals as a severe weather event approaches any part of our service territory. This model is based on the most accurate HRRR NOAA precipitation forecast and the maximum inundation and flood level time series. The model can also assess flood-inundation risk at selected substations for synthetic extreme event scenarios including hurricane simulations in future climate conditions and sea-level rise projections.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

United States of America
Other, please specify
New England Aquarion Water Company

Type of risk & Primary risk driver

Chronic physical
Water scarcity

Primary potential impact

Constraint to growth

Company-specific description

Our water subsidiary, AWC, faces an inherent strategic risk related to adequacy of supply (i.e., water scarcity). Water scarcity risk is heightened by multiple factors. Consumer demands: demand currently exists in excess of available supply as defined by our Margin of Safety analyses for available supply in 14 of Aquarion's 84 systems. This pressure can be expected to increase due to climate change: we forecast both an increase in demand due to increasing temperatures and a potential for a decrease of available supply due to shifting rainfall and recharge patterns. Regulatory constraints: the volume of withdrawals from the environment are regulated throughout New England. It is increasingly difficult to permit new sources of supply. In Connecticut, where the vast majority Aquarion's dams are located, impounded waterways are required to release minimum downstream flow. New regulations are being phased into effect over the next 1-5 years that will increase the volume of downstream releases required across our CT service territory, depleting the volume of supply in storage that is used to meet customer demands. The combination of factors may cause an increased likelihood of drought emergencies, water use restrictions, and reputational/brand damage and impact our ability to grow our water business.

Timeframe

4-6 years

Magnitude of potential impact

Medium-low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

The impact has not been quantified financially. Given our regulatory framework and other mitigation strategies we consider this a strategic risk.

Primary response to risk

Increase capital expenditure

Description of response

AWC takes a multi-pronged approach to respond to water scarcity. We spend capital to develop additional sources of water supply, as well as improve distribution infrastructure to improve the reliability and resilience of water systems' ability to delivery water to

customers. This includes increasing the capacity of existing infrastructure to transfer more water between systems and interconnecting adjacent systems. We focus on non-revenue water with internal KPIs to measure and manage this important indicator of the performance of our distribution systems. We work with regulators and environmental stakeholders to secure approvals for additional inter-basin transfers and we engage our customers with both voluntary and mandatory conservation programs. These programs are being expanded in the near term to cover more of our customer base and further climate-proof our water supplies. We strive to meet customer, regulator and stakeholder expectations by being stewards of water resources.

Cost of response

200,000,000

Explanation of cost of response

We are investing more than $200M to enhance our distribution system and improve supply adequacy for Southwest Fairfield Connecticut in addition to other smaller cost efforts, including our non-revenue water and conservation programs. The cost is estimated as all improvements have not been designed or completed. This would take into account transmission main and pumping improvements needed to increase the capacity of our distribution system to transfer water between basins, as well as the cost to bring a moth-balled source of supply and treatment facility back on line to meet future demands.

Country/Area & River basin

United States of America

Other, please specify

New England area operations of Aquarion Water Company

Type of risk & Primary risk driver

Acute physical

Other, please specify

sudden catastrophic dam failure

Primary potential impact

Other, please specify

Multiple impacts would occur including brand damage, closure of operations, fines, penalties and enforcement orders, increased operating costs, litigation, etc.

Company-specific description

As a dam owner, our water subsidiary, AWC, faces an inherent risk related to dam failure. Sixteen of the company's dams are classified as high hazard, meaning a sudden failure would result in high economic losses and loss of life. Further, loss of an impoundment for a water utility results in a loss of storage (supply). While most systems have redundant storage, all systems rely on the combined storage volume to maintain supplies in excess of demand. Dam failure would result in loss of service. The number of affected dams is <5% of the total water company facilities (estimated 500) and an

even smaller percentage of all enterprise-side facilities, however meets our definition of a substantive financial risk based on an assumed cost exceeding $16M.

Timeframe

Unknown

Magnitude of potential impact

High

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Not applicable

Primary response to risk

Greater due diligence

Description of response

Dams are a vital asset for our water subsidiary and managed as such. AWC manages an active dam inspection, maintenance and capital improvement program for dams. High hazard dams are inspected by qualified third-party engineers every other year. Emergency Action Plans are maintained and exercised for all high hazard dams. Operators and Watershed Maintenance staff visit high hazard dams routinely and document and communicate changes. Animal burrows, woody vegetation, erosion and other maintenance issues are managed by Watershed Maintenance staff who also mow dam slopes. State regulators provide active oversight of compliance with dam safety regulations. The five-year capital plan includes $34.7M in spending on dam rehabilitation in order to assure dams are stable under flooding conditions using the most current flood forecasting tools and methodology.

Cost of response

34,700,000

Explanation of cost of response

Our capital investment in the 5-year plan is currently $34.7M. The cost is estimated as all improvements have not been designed or completed. These costs include hydraulic and hydrologic studies, stability analyses, evaluation of alternative engineering

solutions, design, permitting and construction. Multiple dams are included in the budget cycle at varying stages of the process.

Country/Area & River basin

United States of America

Other, please specify

New England area electric system operations

Type of risk & Primary risk driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Impact on company assets

Company-specific description

Severe weather events such as tropical storms, hurricanes and sea level rise pose inherently substantive impacts to Eversource's electric infrastructure including those substations that are located in riverine and coastal areas. Flooding introduces the potential for extensive damage and extended service outages.

Timeframe

Unknown

Magnitude of potential impact

High

Likelihood

Virtually certain

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Over the years, Eversource has experienced significant storms in the form of tropical storms and hurricanes, ice storms, blizzards, and nor'easters. As a result, Eversource suffers damage to its transmission and distribution system, causing customer outages and the incurrence costs to repair significant damage and restore customer service. Severe weather events in the New England area are increasing in frequency and

creating high impact disruptions to the transmission and distribution system. Assessing damages, conducting repairs, and replacing equipment in substations that has been damaged as a result of flooding can take over a week. The indirect cost, capital expenditure, loss in revenue and overall cost is dependent on equipment failures and the number of substations affected by flooding. In some instances, the cost for repairs can be deferred to a storm recovery mechanism if the storm meets specific criteria and qualifies for recovery under the jurisdiction of each state(s) regulatory approvals and requirements.

Primary response to risk

Other, please specify

Hardening substations that are subject to flooding

Description of response

Under Eversource's flood mitigation strategy for its electrical infrastructure, the Company hardens its existent substations and facilities that are subject to flooding and implements the necessary solutions to mitigate the effects of severe weather and climate change. New substations and facilities are built using the latest standards complying with the NESC, FEMA, ASCE-24 and state and federal regulatory requirements. In addition, the Company in partnership with universities has developed a substation flood vulnerability model that provides forecasting capabilities at different time intervals as a severe weather event approaches any area of our service territory. This model is based on the most accurate HRRR NOAA precipitation forecast and the maximum inundation and flood level time series. The model can also assess flood-inundation risk at selected substations for synthetic extreme event scenarios including hurricane simulations in future climate conditions and sea-level rise projections.

Cost of response

Explanation of cost of response

Costs can only be estimated based on expected prices to repair and replace equipment during normal operations, however emergent repairs and equipment replacements after a severe/catastrophic event can be significantly higher due to the availability of resources and equipment.

Storm cost deferrals relate to costs incurred for storm events at CL&P, NSTAR Electric and PSNH that each company expects to recover from customers. A storm must meet certain criteria to qualify for deferral and recovery with the criteria specific to each state jurisdiction and utility company. Once a storm qualifies for recovery, all qualifying expenses incurred during storm restoration efforts are deferred and recovered from customers. Costs for storms that do not meet the specific criteria are expensed as incurred.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	We have identified water related risks in our supply chain but they do not meet our criteria to be considered a substantive risk. However, as with all identified risks, we have implemented mitigation strategies to minimize any potential impact. Given Aquarion's position in the value chain, we believe the greatest risks to Eversource are associated with our direct operations for this business rather than risks to the value chain.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Markets

Primary water-related opportunity

Expansion into new markets

Company-specific description & strategy to realize opportunity

Eversource and AWC have a goal to expand the footprint of the water business. Since 2011, Aquarion has closed 26 transactions, adding approximately 21,000 customer connections (~10% growth). This includes 9700 customers added in 2021. We actively pursue opportunities to meet with water utilities and municipalities to discuss purchases of their system and manage an active pipeline of opportunities. We track our progress through KPIs that are reported to both Aquarion and Eversource leadership. The water utility market is highly fragmented with large numbers of small systems. Aquarion’s growth strategy is centered around systems that serve greater than 1,000 customers, with a goal for each acquisition to be accretive to earnings and provide net benefits to customers.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1

Potential financial impact figure – maximum (currency)

16,000,000

Explanation of financial impact

Given the size of AWC compared to the rest of Eversource, the financial impact in the near term is expected to be low.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

All Aquarion facilities that could be exposed to water risks

Country/Area & River basin

United States of America

Other, please specify

Eversource considers all water basins in New England operation when considering exposures to water risks

Latitude

41.206179

Longitude

-73.285885

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

Not applicable

Total water withdrawals at this facility (megaliters/year)

116,176.87

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

93,567

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

20,944.5

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

1,655.96

Total water discharges at this facility (megaliters/year)

18,554

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

346

Discharges to brackish surface water/seawater

0

Discharges to groundwater

18,032.49

Discharges to third party destinations

175.54

Total water consumption at this facility (megaliters/year)

2.65

Comparison of total consumption with previous reporting year

About the same

Please explain

We aggregated all of our water utility facilities, as the impacts would be similar for all. Operational conditions are similar to last year, therefore, direct water measurements are similar to last year.

Facility reference number

Facility 2

Facility name (optional)

Eversource substations identified that could be exposed to water risks

Country/Area & River basin

United States of America

Other, please specify

Eversource considers all water basins in New England operation when considering exposures to water risks)

Latitude

42.409784

Longitude

-71.121869

Located in area with water stress

Unknown

Primary power generation source for your electricity generation at this facility

Not applicable

Total water withdrawals at this facility (megaliters/year)

0

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

We aggregated all of substations that may have water risks as we do not measure water use at these facilities. As most facilities do not have buildings that consume or discharge water, we estimate water consumption and discharge as 0.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

Not verified

Please explain

No additional explanation

Water withdrawals – volume by source

% verified

Not verified

Please explain

No additional explanation

Water withdrawals – quality by standard water quality parameters

% verified

Not verified

Please explain

No additional explanation

Water discharges – total volumes

% verified

Not verified

Please explain

No additional explanation

Water discharges – volume by destination

% verified

Not verified

Please explain

No additional explanation

Water discharges – volume by final treatment level

% verified

Not verified

Please explain

No additional explanation

Water discharges – quality by standard water quality parameters

% verified

Not verified

Please explain

No additional explanation

Water consumption – total volume

% verified

Not verified

Please explain

No additional explanation

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	Our policies pertaining to water are embedded in relevant company-wide environmental policies, including our Eversource Environmental Policy and Eversource's Human Rights Policy, as well as Aquarion's Environmental Policy, (available at aquarionwater.com/environment), These policies are publicly available to clearly communicate our commitment and goal to ensure water availability, water conservation and water quality through comprehensive water management to both internal and external stakeholders. The Aquarion Environmental Policy expresses our business's dependency on water, as the environmental resource that serves as the commodity we provide to our customers. As stated in the policy: "We recognize that environmental protection and the efficient use of resources are vital for sustaining our success because they enable us to continue providing valuable services to our customers and communities." As stewards of the environment, we promote sustainable practices and habitat management. This includes actively monitoring reservoir ecosystems throughout our AWC. We have a long history of monitoring the quality of the water in our watershed and reservoirs to optimize treatment, including mapping the presence and density of invasive aquatic plants in all our Aquarion reservoirs. Moreover, meeting or surpassing compliance with all applicable environmental regulations is not only Eversource's responsibility, but also central to our sustainability commitments and demonstrates the respect

			we have for our stakeholders' fundamental human rights to natural resources such as clean water. We affirm the human right to water and sanitation, and we cite this commitment in Eversource Energy's Human Rights Policy. Finally, as described in our 2021 Sustainability Report, "maintaining water quality and availability" is material to the company's sustainability strategy. The scope and boundary of the material topics have been aligned with Sustainable Development Goals. Water materiality has been mapped to SDG 6, "Clean Water Sanitation" and "SDG 9 Industry, Innovation and Practice" (more information on the company's materiality journey is in the Eversource 2021 Sustainability Report). 1, 2, 3

[1]Eversource_Environmental_Policy.pdf

[2]Eversource_Human_Rights_Policy.pdf

[3]Eversource-2021-sustainability-report.pdf

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	Eversource's President and Chief Executive Officer has overall responsibility for managing the company's business strategy, including issues related to the environment and water security. This position reports to the Board of Trustees, which both as a whole and through its Committees is responsible for the oversight of the Company's risk management processes and programs, along with comprehensive operating and strategic planning and environmental matters such as those concerning water management.
Board-level committee	The Eversource Board of Trustees Finance Committee is responsible for oversight of Eversource's Enterprise Risk Management Program, which includes comprehensive practices to assess, monitor and mitigate risk exposures, including those related to water security. Additionally, the Governance, Environmental, and Social

	Responsibility Committee oversees the Company's ESG, sustainability, and social responsibility strategy, programs, policies, risks, and performance.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Sporadic - as important matters arise	Reviewing and guiding risk management policies	Per page 20 of our 2022 Proxy Statement, our Board held 7 meetings in 2021, and with Committees held a total of 27 meetings during which they reviewed and discussed performance reports, Company plans and prospects, and any immediate issues. The Board's Governance, Environmental and Social Responsibility Committee oversees sustainability strategy, programs, policies, risks, and performance. Our Enterprise Risk Management program is overseen by the Finance Committee. Management identifies and analyzes known and emerging risks, including those related to water security, to determine materiality, likelihood and impact, and develops mitigation strategies. The findings are discussed with the Finance Committee and full Board, including reporting on an individual risk-by-risk basis on how issues are being measured and managed. Pages 12-16 of our 2021 Annual Report identifies risk factors, including impacts from severe weather, regulatory compliance and water availability and quality. Our Board implements and monitors performance metrics while guiding strategy and major plans of action to mitigate the impact of climate change and pursue opportunities to strengthen our infrastructure. All Board Committee Chairs report to the Board following Committee meetings to discuss comprehensive operating and strategic planning, including long-term objectives, specific strategies to achieve goals, and plans to implement each strategy. The operating plan, consisting of goals and objectives for the year, key performance indicators

			and financial forecasts, was reviewed and approved by the Board in February 2021.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	Pages 13-15 of our 2022 Proxy Statement highlight our Board of Trustees selection process and the qualifications, skills and experience we seek. Our Governance, Environmental and Social Responsibility Committee and the Board annually review the skills and qualifications that they determine are necessary for the proper oversight of the Company by the Trustees in furtherance of their fiduciary duties. The Committee and the Board remain focused on ensuring that the individual and collective abilities of the Trustees continue to meet the changing needs of the Company and its constituencies. The Board is committed to nominating individuals who satisfy the applicable criteria for outstanding service to our Company and who together comprise the appropriate and diverse Board composition in light of evolving business demands. The Board evaluates the effectiveness of each Trustee in contributing to the Board's work and the potential contributions of each new nominee. Risk Management Experience: As outlined on page 15 of our Proxy Statement, 11 of our 12 trustees have experience in the understanding and evaluation of the most significant risks we face, and in applying that experience to the Company's short- and long-term strategy, enabling them to provide the experience and leadership to provide effective oversight of risk management processes, including those related to water-related issues. ESG Experience: As outlined on page 15 of our Proxy Statement, 11 or our 12 trustees have experience in the understanding of ESG to manage our sustainability practices, including environmental, social and governance matters and continue our commitment to improving our environmental performance and reducing the potential negative impacts of our operations on the environment.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Operating Officer (COO)

Responsibility

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Annually

Please explain

Eversource's Executive Vice President and Chief Operating Officer has overall responsibility for managing the company's business strategy, including issues related to the environment and water security. This position reports to the President and Chief Executive Officer who reports to the Board of Trustees, which both as a whole and through its Committees is responsible for the oversight of the Company's risk management processes and programs, along with comprehensive operating and strategic planning and environmental matters such as those concerning water management.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	No additional comments

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers

Yes, trade associations

Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Corporate Communication prepares the company's legislative agenda with input from Aquarion's senior management team and provides monthly updates to the leadership team during meetings schedule to review progress on major business initiatives. This process assures internal alignment. Aquarion participates actively in the Connecticut Water Works Association, maintaining a board seat. In cases where Aquarion's position is not in alignment with the association or its membership, Aquarion will use its board seat to voice its position in an attempt to reach agreement among members.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

Eversource_2021-annual-report.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	With a water utility subsidiary as part of our business, water-related issues, including opportunities to grow the business, water availability and quality, are integrated in the establishment of long-term objectives, strategies and financial planning. These are overseen by the Company's management and reported to the Board of Trustees. Comprehensive operating and strategic planning, including long-term objectives, specific strategies to achieve goals, and plans to implement each strategy are reviewed at Board meetings. The operating plan, consisting of goals and objectives for the year, key performance indicators and financial forecasts, was reviewed and approved by the Board in Feb. 2021.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	With a water utility subsidiary as part of our business, water-related issues, including opportunities to grow the business, water availability and quality, are integrated in the establishment of long-term objectives, strategies and financial planning. These are overseen by the Company's management and reported to the Board of

			Trustee's. Comprehensive operating and strategic planning, including long-term objectives, specific strategies to achieve goals, and plans to implement each strategy are reviewed at Board meetings. The operating plan, consisting of goals and objectives for the year, key performance indicators and financial forecasts, was reviewed and approved by the Board in Feb. 2021.
Financial planning	Yes, water-related issues are integrated	16-20	Our comprehensive operating and strategic planning consists of short-, medium- and long-term corporate objectives, specific strategies to achieve those goals, and plans designed to implement each strategy. Our ERM program is integrated with the annual operating and strategic planning processes to identify the key financial risks associated with the plan, including water-related risks. These risks are presented to the Board of Trustees as part of both of the annual operating plan and at the annual strategic planning session. Considerations include financial, strategic, reputation, operational, customers and environment/safety. Physical risks from climate change may result from sea level rise and shifting weather conditions, such as changes in precipitation, more frequent and severe storms, droughts and floods. These risks may result in customers' energy and water usage increasing or decreasing depending on the duration and magnitude of the changes, degradation of water quality/quantity, and our ability to reliably deliver to customers. To address this, we are pursuing the following actions: • Working with regulators to gain approval for new programs that will improve system resiliency such as flood proofing, and other system hardening measures; • Implementing a grid modernization plan to enhance our electric distribution infrastructure to improve resiliency and reliability • Implementing programs to address risks that may impact water availability and water quality

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

13.4

Anticipated forward trend for CAPEX (+/- % change)

7.4

Water-related OPEX (+/- % change)

16.6

Anticipated forward trend for OPEX (+/- % change)

6

Please explain

Our water related CAPEX is investment in water infrastructure by AWC. We are increasing this investment in order to ensure the reliability of our water infrastructure to best serve our customers. Actual CAPEX for 2020 and 2021 are $127.2M and $144.2M respectively. Forecast CAPEX for 2022 is $155M. OPEX is the total operating expense incurred to run the drinking water subsidiary (i.e., power, payroll, etc.). In 2020 we sold a water system. The net gain on the sale is included in 2020 and results in a dip in OPEX for the prior reporting year. Actual OPEX for 2020 and 2021 are $85.9M and $100.2M respectively. Forecast OPEX for 2022 is $106.2. We work to contain operating costs to keep the cost of service down for our customers.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	As part of Eversource's Carbon Neutrality goal, basic scenario analyses were conducted internally to understand the relative impact of the company's various operations and opportunities to draw down emissions directly and to understand indirect utility-specific emission intensities projected into the future. These evaluations have been conducted through the completion of greenhouse gas inventories and examining pathways to reduce emissions through improved efficiency, adoption of new technologies and further adoption of renewable energy and more sustainable water practices. Our strategy for achieving carbon neutrality by 2030 is still underway and we anticipate conducting more detailed scenario-based analyses to evaluate climate-related impacts including a 1.5ºC scenario.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Other, please specify We use an internal storm and flood prediction tool for analysis.	Qualitative and quantitative analysis as it relates to the increased frequency and severity of storms due to climate change is performed through our innovative partnership with University of Connecticut (UConn) on the Eversource Energy Center. Through science-based solutions, including high-resolution weather and outage forecasting and 3-D aerial and ground imagery we are improving the delivery of reliable power and enhanced risk management in extreme weather by predicting a storm's impact and the locations of outages to proactively dispatch crews before storms arrive.	Our Eversource climate-related scenario analysis resulted in water-related outcomes including the identification of the impacts of severe weather impacts including drought and possible changes in regulations and customer water use. For example, MA Electric has identified substations that could be at risk for flooding during extreme storm activity. From regulatory perspective, for our water customers, conservation measures imposed by the communities we serve could impact water usage.	In MA, the MA Electric operations team is using the results to determine improvements needed to storm proof the most at-risk substations. Additionally, Aquarion has expanded water conservation programs and limits irrigation in areas where reservoirs are at risk of being stressed by drought.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

No additional comments

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as	Definition used to classify low water impact	Please explain

	low water impact		
Row 1	Yes	Our water subsidiary, AWC implements a growing conservation program that includes the sale of rain barrels; widespread conservation messaging in multiple formats (website, tv, print, radio and digital platforms) and enforces a mandatory twice-weekly irrigation schedule in many towns in its service area. This program began in systems where seasonal peaks of water consumption by customers stress local water resources. There are plans in place to expand the program to cover the majority of customers, regardless of water supply-demand ratios in the individual water systems.	No additional comments

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Business level specific targets and/or goals Activity level specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	For our water utility, AWC, ensuring water quality is a primary concern and we have set goals and targets to ensure we are being environmentally responsible and also meeting customer expectations. We have targets that are monitored at the corporate level that track water quality violations, and also goals that monitor customer complaints. AWC also annually establishes initiatives (i.e., goals) as well as Key Performance Indicators (i.e., targets) to improve the capacity, reliability and resilience of its treatment and distribution water works. These goals and targets are measured and reported to Aquarion and Eversource leadership monthly. In addition to traditional financial and employee perspective targets, numerous water-specific targets are used to track programs such as the removal of PFAS and improved disinfection.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Other, please specify

Water Quality Compliance

Level

Business

Primary motivation

Corporate social responsibility

Description of target

Water Quality Compliance

Quantitative metric

Other, please specify

Number of instances finished product failed to meet regulatory requirements

Baseline year

2021

Start year

2021

Target year

2021

% of target achieved

100

Please explain

This target is reset each financial year and is measured for all business units of AWC and monitored at the Corporate level. The target is zero. Measures the number of Notices of Violation (NOVs) of water quality standards issued by state health regulators that result in fines, penalties, or Tier 1 customer notifications. Violations incurred in newly acquired systems are not counted for a period of three years in order to provide time for identification and correction of compliance deficiencies. While Aquarion received Tier 2 and 3 violations for schedule and paperwork discrepancies, no violations were received that met the definition to be counted in 2021.

Target reference number

Target 2

Category of target

Other, please specify

Water Quality Complaints

Level

Business

Primary motivation

Brand value protection

Description of target

Water Quality Complaints

Quantitative metric

Other, please specify

Number of complaints recorded

Baseline year

2021

Start year

2021

Target year

2021

% of target achieved

100

Please explain

This is a financial year target and is measured for all business units of Aquarion and monitored at the Corporate level. Measures the sum of all Water Quality complaints logged by company representatives in the following categories: Taste & Odor, Appearance complaints of unknown cause, Chemical quality and Biological quality. Excluded from this sum are complaints from Chlorination Initiative small systems that are directly attributed to chlorination (Chemical quality and Taste & Odor). This exclusion is in effect for a period of 1 year following chlorination of the given system. In 2021, Aquarion recorded 781 water quality complaints that meet the above definition against an upper limit target of no more than 950.

Target reference number

Target 3

Category of target

Other, please specify

Service Quality Complaints

Level

Business

Primary motivation

Brand value protection

Description of target

Service Quality Complaints

Quantitative metric

Other, please specify

Number of Complaints recorded

Baseline year

2021

Start year

2021

Target year

2021

% of target achieved

100

Please explain

This is a financial year target and is measured for all business units of Aquarion and monitored at the Corporate level. The sum of all customer complaints logged by company representatives in the following categories: High Bill Investigations, Pressure Issues, Meter Issues, Outages, Property Damage, and General Service. Measurement periods are monthly and year-to-date. In 2021 Aquarion recorded 1844 complaints in this category against an upper limit target of no more than 2585.

Target reference number

Target 4

Category of target

Other, please specify

Non-revenue Water

Level

Business

Primary motivation

Recommended sector best practice

Description of target

Non-revenue water

Quantitative metric

Other, please specify

% of product not sold to customers

Baseline year

2020

Start year

2020

Target year

2021

% of target achieved

100

Please explain

This target is a trailing twelve-month average and is measured for all business units of Aquarion and monitored at the Corporate level. Non-Revenue Water (NRW) is the difference between the amount of water a utility produces and the amount of water it can account for in sales. NRW is presented in terms of volume and as a percentage. This measure provides strategic feedback on stakeholder management given the regulatory interest in non-revenue water and on sustainability efforts, as the primary cause of non-revenue water is leakage. It also provides diagnostic feedback on the business processes impacting and controlling non-revenue water. The overall goal is to maintain NRW below 15% to meet stakeholder expectations. For 2021 the targets for NRW were 4693 MG and 15.7%. Actuals were 4650 MG and 15.4% (the targets were met).

Target reference number

Target 5

Category of target

Community engagement

Level

Site/facility

Primary motivation

Cost savings

Description of target

Paving Coordination

Quantitative metric

Absolute increase in investment in community engagement initiatives

Baseline year

2021

Start year

2021

Target year

2021

% of target achieved

100

Please explain

This target is specific to the CT business of Aquarion, is monitored at the corporate level, and is reset each financial year. The amount of water main replaced annually in CT is significant as a portion of the over capital budget and in total miles of main replaced. Construction costs in CT exceed those in NH and MA. Main replacement is evaluated and prioritized using many factors, primarily age, condition, and break history. Coordinating projects with local municipalities' road paving schedules, when possible, provides cost savings and enhances our community engagement and stakeholder relations. Where town paving project and our main paving project timelines align, we agree to a coordinated schedule and to pay a portion of the paving cost instead of bearing the full cost of re-paving the road, as we do when no such coordination occurs. We are measuring the total paving dollars spent on coordinated projects. In 2021 we exceeded our goal for paving coordinated projects.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Other, please specify

Water Stewardship

Level

Business

Motivation

Water stewardship

Description of goal

Protect Future Water Supply Quantity. This goal ties back to our monitoring of water supply adequacy (available supply and customer demand), which is essential to our ability to meet consumer needs in the future. We are implementing this goal across Aquarion business operations by participating in the regulatory process to effectively represent the water utility perspective, working to minimize adverse impacts on the environment and meet environmental regulations, specifically new streamflow release requirements, making efforts to minimize NRW, and implementing water conservation programs.

Baseline year

2018

Start year

2018

End year

2021

Progress

This is a year on year, rolling goal for the drinking water utility, AWC. In 2021 specifically we made additional progress reducing our Non-Revenue-Water and exceeded the target of 15.7%. Successfully meeting this KPI reduces cost, improves reliability and sustainability, and is an annual performance measure. We succeeded in obtaining a Diversion Permit to increase water transfers to Southwest Fairfield County (CT). This effort is a discrete Major Initiative to improve the reliability and resilience within our service territories. It involved numerous stakeholder groups and was successful in that we were able to demonstrate we would be able to expand our conservation programs; make adequate streamflow releases to protect the environment; and transfer water to meet the needs of customers. We also expanded our twice weekly irrigation schedule into an additional service area and measured continued reductions in seasonal usage. We measure the success of the program by measuring the reduction in daily seasonal (May-Oct) production for the region where the program has been in place the longest. We have reduced production by 12%.

Goal

Other, please specify

Water Stewardship

Level

Business

Motivation

Water stewardship

Description of goal

Sustainability: Enhance Aquarion's performance as a progressive environmental steward, which is important to us for maintaining our positive reputation with customers and regulators. Aquarion does this through implementation and growth of our water conservation program with customers. In addition to multiple outreach initiatives, we implement a 2 times/week irrigation schedule. We expanded into new service territory in 2021 and continue working on plans to expand this program further. We measure the success of the program by measuring the reduction in daily seasonal (May-Oct) production for the region where the program has been in place the longest. We have reduced production by 12%. We seek meaningful collaboration with environmental stakeholder groups, for example efforts to partner on the acquisition of property and/or conservation easements that benefit drinking water watersheds. These efforts were ongoing in 2021 with no land acquisition closed in the calendar year. In 2021 we also installed a rooftop solar array on our customer service center to reduce costs and

participate in the decarbonization of the electric grid. We purchased Green e-RECs for a portion of our facilities.

Baseline year

2013

Start year

2013

End year

2021

Progress

Aquarion expanded the twice-weekly irrigation program into an additional town in 2021. We also added an automated conservation letter to customers using 3X the residential average for the months of April-September as a new initiative in 2021. We measure the success of the twice-weekly program by measuring the reduction in seasonal (May-Oct) production for the region where the program has been in place the longest. On average we have reduced production by 12% since 2017 (compared to the average for the period 2010-2015). We seek meaningful collaboration with environmental stakeholder groups, for example efforts to partner on the acquisition of property and/or conservation easements that benefit drinking water watersheds. These efforts were ongoing in 2021 with no land acquisition closed in the calendar year. To participate in the decarbonization of the grid, in 2021 we installed a rooftop solar array on our customer service center and purchased Green e-RECs for a portion of our facilities.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we are waiting for more mature verification standards and/or processes

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Please find attached documents referenced in the report.

Eversource_Environmental_Policy.pdf

Eversource_Human_Rights_Policy.pdf

Eversource-2021-sustainability-report.pdf

Eversouce_2022-proxy-statement.pdf

Eversource_2021-annual-report.pdf

Eversource supplier-code-conduct.pdf

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Manager, Sustainability	Environment/Sustainability manager

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1		

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms