Date Filed: September 03, 2026

Witness: Julia Frayer
Request from: Office of Consumer Counsel

Question:

Exhibit CLP-ELP-1 Please provide the annual value of the composite O&M input price index used in the Company's proposed I-Factor for each of the past 20 years. Please also compare the annual composite O&M input price index to economy-wide inflation over the same period, including the annual percentage-point difference between the two measures. Please provide all calculations in an unlocked Excel workbook with formulas intact.

Response:

Please refer to OCC-428, Attachment 1, for the requested information. The table produced in OCC-428, Attachment 1, shows the comparison of the composite O&M input price index and the economy wide inflation for the 20-year period, 2006 to 2024. The Company's proposed I factor is composed of the GDP Implicit Price Deflator for Final Sales to Domestic Purchasers ("GDP-FSDP"), as the non-labor cost index and the Employment Cost Index ("ECI"), as the labor cost index weighted to reflect the 20-year historical industry OM&A labor and non-labor split (33%/67%). Because the Company's proposed PBMRP applies the X Factor to OM&A costs, the corresponding I Factor is intended to measure changes in the prices of the same OM&A inputs whose productivity is measured by the X Factor.

The requested 20-year historical I Factor values are provided for informational purposes. However, these values will be updated periodically during the PBMRP term. Specifically, the proposed I Factor is intended to reflect current changes in OM&A input prices and would be updated using more recent ECI and GDP-FSDP data, as that information is released by the BLS and BEA.