Date Filed: October 30, 2026

Witness: Sasha P. Lazor
Request from: Public Utilities Regulatory Authority

Question:

(SERP EXPENSE) Ex. CLP-REVREQ-2, Sch. WP C-3.12, p. 8. Provide an explanation for which tier of employees are eligible for the Supplemental Executive Retirement Plan (SERP) and the details of this benefit provided for executives.

Response:

Please refer to the Company's response to OCC-356[i] for additional information about the SERP plan.

Executive Management employees with the classification of Vice President and above **and who participate in a qualified defined benefit pension plan** are eligible for the SERP.

It is common practice among companies with qualified defined benefit pension plans to provide executive management with a benefit that addresses the limits on pensionable earnings that the Internal Revenue Service imposes on qualified pension plans. The objective is for these employees to receive a pension that is similar to non-executive pensions relative to their pay. A "SERP" is a non-qualified plan that accomplishes that objective by providing a retirement benefit to supplement the benefit provided under the qualified plan.

Prior Referenced Response:

[i] OCC-356 Question:

Supplemental Executive Retirement Plan Expense.

a. Please provide the total amount (direct and allocated) of all SERP (SERP, Non-SERP, 401(k) SERP, etc.) expenses for each of the years 2021, 2022, 2023, 2024, 2025 and the amount included in the rate year.
b. Please describe the benefits provided by the Company's SERP plan.
c. Please identify both the total number of employees (direct and allocated) eligible for SERP and the total number of employees ineligible for SERP for each of the years 2021, 2022, 2023, 2024, 2025.
d. Please explain how eligibility for SERP is determined.

OCC-356 Response:

a. Please refer to OCC-356, Attachment 1, for the total amount (direct and allocated) of all SERP and Non-SERP expenses for the years 2021 through 2025, and the Rate Year.

b. It is common practice among companies with qualified defined benefit pension plans to provide executive management with a benefit that addresses the limits on pensionable earnings that the Internal Revenue Service imposes on qualified pension plans. The objective is for these employees to receive a pension that is similar to non-executive pensions relative to their pay. A "SERP", which is a non-qualified plan that accomplishes that objective by providing a retirement benefit to supplement the benefit provided under the qualified plan.

c.

	2021	**2022**	**2023**	**2024**	**2025**
Executive Management - in Pension (SERP eligible)	36	36	36	34	33
Executive Management not in Pension	24	29	32	31	31

d. Executive Management employees with the classification of Vice President and above **and who participate in a qualified defined benefit pension plan** are eligible for the SERP.