Date Filed: October 14, 2026

Witness: Sasha P. Lazor and Marianne H. Eichler
Request from: Public Utilities Regulatory Authority

Question:

(OFFICER VARIABLE COMPENSATION—BASIS FOR INITIAL LONG-TERM INCENTIVE GRANT OPPORTUNITY) Application, Sch. C-3.7 and Sch. WP C-3.7; Ex. CLP-EMPLOYEE-1, pp. 7–11. For each job-scope level or position represented in the $1.331 million Rate Year long-term officer-variable-compensation amount in Schedule C-3.7, explain how the initial target long-term incentive opportunity is established before subsequent performance or vesting adjustments and provide:

a. target long-term incentive (LTI) opportunity as a percentage of base salary or other compensation measure;
b. the market survey, job-scope policy, Compensation Committee policy, employment agreement, retention determination, or other basis used to establish that percentage;
c. the title or position of the person who approves the initial target;
d. whether there is any discretion to depart from the standard target;
e. whether the target differs by award instrument, including performance shares, restricted stock units (RSUs), cash LTI, or another vehicle; and
f. any changes assumed from the Test Year through Rate Year 1.

Response:

a. Please refer to UPA-015, Attachment 1, for details on long-term incentive variable compensation targets.

b. To ensure that the Company achieves its goal of providing market-based total direct compensation levels to attract and retain top quality management, the Compensation Committee provides our executives with target compensation opportunities approximately equal to median compensation levels for executive officers of companies in the utility industry comparable to us in size. To achieve that goal, the Committee and its independent compensation consultant work together to determine the market values of executive compensation elements by using competitive market compensation data.

   The Committee reviews competitive compensation data obtained from utility and general industry surveys and a specific group of peer utility companies. Incumbent compensation

levels may be set below the market median for those executives who are new to their roles, while long- tenured, high performing executives may be compensated above median.

c. All targets must be approved by the Chief Executive Officer. All targets for the Chief Executive Officer and direct reports to the Chief Executive Officer must be approved by the Compensation Committee. In addition, all targets for the Chief Executive Officer are approved by the Board of Trustees.

d. As targets are market-based and grouped by management level, there is no discretion to depart from standard targets.

e. The award instruments, Performance Shares (PSUs) and Restricted Share Units (RSUs) are fixed at 75% PSUs and 25% RSUs.

f. There are no changes assumed from the Test Year to the Rate Year.