Date Filed: October 15, 2026

Witness: Julia Frayer
Request from: CLF and Acadia Center

Question:

(Productivity Factor) Refer to Exhibit CLP-PBR-2, Section 2.2.

a) Confirm whether the Company's proposed productivity factor is derived using an indexing (historical peer performance) methodology rather than an efficiency frontier analysis.
b) Please identify every methodology considered in deriving the Company's proposed productivity factor and state the criteria used to select the indexing methodology over the alternatives.
c) If an indexing methodology was used as confirmed in (a) above, produce all workpapers, memoranda, and analyses used that compared the index method to efficiency frontier analysis for purposes of this proceeding, including any cost-benefit or sensitivity analysis of the two approaches.

Response:

a) Yes, the Company's proposed productivity factor is derived using an index-based methodology (see Section 2.2 on page 19-21 of Exhibit CLP-PBR-2).

b) LEI's Industry TFP Study described the index-based methodology, as well as data envelopment analysis, and Stochastic Frontier Analysis. The reasons for choosing the index-based numerical method are discussed in Section 2.2 on page 19-21 of Exhibit CLP-PBR-2.

c) There are no such materials that compared the results in Exhibit CLP-PBR-2 versus alternative methods. See refer to the Company's response to subpart (b) above.