





**CH Energy Group, Inc.****CHG NYSE****Utilities - Multiline**

Market Capitalization USD:

\$805.03 mm**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap. 
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group. 
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket. 

CEO: Steven V. Lant**Age: 55****CEO Since: 2003**

	2009	2010	2011
Base Salary	\$525,000	\$550,000	\$575,000
Discretionary Bonus	\$60,000	\$0	\$0
Annual Cash Incentive	\$412,650	\$264,825	\$372,313
Benefits and Perquisites	\$8,250	\$8,250	\$8,250
TOTAL ANNUAL COMPENSATION	\$1,005,900	\$823,075	\$955,563
Increase in Post-Retirement Benefits	\$755,300	\$845,500	\$815,500
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$547,119	\$563,466	\$632,079
TOTAL COMPENSATION	\$2,308,319	\$2,232,041	\$2,403,142
Median of Other Named Executive Officers Total Compensation	\$851,133	\$874,474	\$766,342
Value Realized on Exercise of Stock Option	\$207,213	\$4,706	\$0
Value Realized on Vesting of Stock	\$0	\$280,878	\$259,604
TOTAL REALIZED EQUITY COMPENSATION	\$207,213	\$285,584	\$259,604

Proxy Date: 21 Mar 2012

Annual Meeting Date: 24 Apr 2012

Equity Reserves: 2.99%

Stock Option Run Rate: 0.00%

CH Energy Group, Inc.

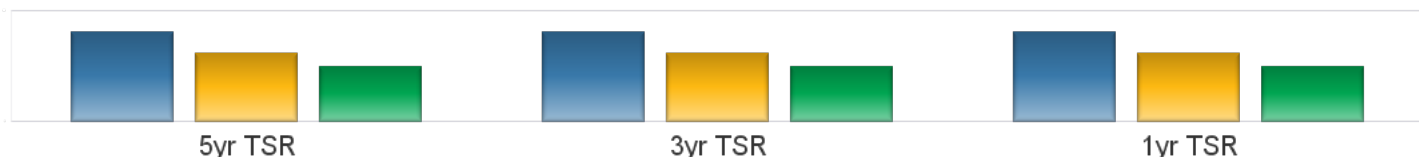
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Performance Comparison

■ vs S&P500 ■ vs Industry ■ CHG



Peer Comparisons (TRBC) =Utilities - Multiline

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
CHG	CH Energy Group, Inc.	\$2,308,319	\$2,232,041	\$2,403,142	\$805,027,131
AVA	Avista Corp.	\$3,028,018	\$3,245,967		\$1,382,919,687
BKH	Black Hills Corporation	\$1,873,600	\$2,692,662		\$1,208,473,373
NWE	NorthWestern Corporation	\$1,523,751	\$1,231,916	\$1,468,711	\$1,158,172,730
EDE	Empire District Electric Company (The)	\$1,267,151	\$1,439,300	\$683,706	\$812,989,643
UTL	Unitil Corporation	\$1,306,751	\$1,378,115	\$1,740,598	\$280,830,907

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Allegheny Energy Inc., Integrys Energy Group Inc., Allete Inc., MDU Resources Group Inc., Alliant Energy Corp., Nicor Inc., Ameren Energy Corp., Northeast Utilities, American Electric Power Co. Inc., NorthWestern Corp., Atmos Energy Corporation, NSTAR, Avista Corp., NV Energy Inc., Black Hills Power Corp., Northwest Natural Gas Company, CenterPoint Energy Inc., OGE Energy Corp., Cleco Corp., Pacific Gas & Electric Co., CMS Energy Corp., Pepco Holdings Inc., Consolidated Edison Inc., Pinnacle West Capital Corp., Constellation Energy Group Inc., Portland General Electric Co., Dominion Resources Inc., PPL Corp., DPL Inc., Progress Energy Inc., DTE Energy Co., Public Service Enterprise Group Inc., Duke Energy Corp., Puget Energy Inc., E.ON U.S., SCANA Corp., Edison International, Sempra Energy, Energen Corp., Southern Company, Energy Future Holdings Corp., UIL Holdings Corp., Energy Northwest, UniSource Energy Corp., Entergy Corp., Unitil Corp., Exelon Corp., Vectren Corp.,

Performance Peer Group

ALLETE, Inc., NorthWestern Corporation, Ameren Corporation, NV Energy, Inc., Avista Corporation, OGE Energy Corporation, Central Vermont Public Service Corporation, Pinnacle West Capital Corporation, Cleco Corporation, PNM Resources, Inc., Consolidated Edison, Inc., Portland General Electric Company, El Paso Electric Company, UniSource Energy Corporation, Empire District Electric Company, Unitil Corporation, Entergy Corporation, Westar Energy, Inc., Great Plains Energy Incorporated, Xcel Energy Inc., IDACORP, Inc.

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Stanley J. Grubel	Chairman	70	Male	13	Outside Related
Edward T. Tokar	Member	64	Male	3	Outside
Ernest R. Verebelvi	Member	64	Male	6	Outside
Manuel J. Iraola	Member	64	Male	6	Outside