

National Utility Survey Ontario Power Generation

Survey Findings

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Section 1: Survey Design

Survey Design

Approach and Methodology

The Terms of Reference describes the approach and methodology for the survey

- Determination of a comparator sample of organizations against whom OPG will be compared
- Identification of the benchmark positions to be surveyed
- Confirmation of the elements of compensation to be collected and reported
- Confirmation of the methodology for collecting data

Survey Design

Determination of Comparator Organizations

Considerations in the selection of comparator organizations:

1. Organizations from which OPG recruits
2. Organizations from which OPG loses talent
3. Organizations representative of the same and/or similar industry sectors
4. Organizations that are reflective of the complexity and size of OPG

The table on page 6 provides a summary of the comparator organizations used to determine the relative competitiveness of Target Total Cash Compensation and Pension and Benefits components.

Survey Design - Comparator Organizations

Organization	Group 1 - Power Generation, Electrical Utilities, and Nuclear Research, Development and Engineering (NRDE)	Group 2 - Nuclear Power Generation and Electric Utilities	Group 3 - General Industry	Group 4 - Pension & Benefits Analysis
AltaLink	√			
Atomic Energy of Canada Limited (NRDE)	√	√		√
BC Hydro and Transmission	√			√
Bruce Power	√	√		
Candu Energy Inc. (NRDE)	√	√		
Enmax Corporation	√			√
FortisAlberta	√			
Hydro Quebec	√	√		√
Independent Electric System Operator	√			
Manitoba Hydro	√			
Nalco Energy	√			√
New Brunswick Power	√	√		
New Brunswick System Operator	√			
Nova Scotia Power	√			
SaskPower	√			
Toronto Hydro	√			
Transalta	√			√
TransCanada	√			√
Yukon Energy Corporation	√			
Aon Hewitt's TCM Survey			√	
Mercer Benchmark Database			√	
Aon Hewitt Benefit SpecSelect (additional 9 companies)				√

Survey Design

Benchmark Jobs

Criteria Used to Determine Benchmark Jobs

- Represented within the comparator groups and business sectors
- A relatively stable position over time
- High number of incumbents

Representative Benchmark Jobs

- Selection of jobs is representative of a cross-sample of
 - All functional groups
 - All levels within OPG
 - All employee groups (i.e. Management, Power Workers Union, and Society of Energy Professionals)
 - Within each segment of power generation (i.e. nuclear, hydroelectric and thermal)
- Survey target was 50% of the total OPG employee population
 - Actual reportable survey results represent 54.3%
 - Number of external companies matched 19 (Canadian) and number of OPG jobs matched 204

Survey Design

Job Families

Information was gathered for the following job families of benchmark jobs:

- Administration
- Corporate Services*
- Engineering
- Environment, Health & Safety
- Finance
- Human Resources
- Information Technology
- Maintenance
- Operations
- Supply Chain, Materials Management & Purchasing

*includes Legal, Public Relations & Regulatory Affairs and Trading

Survey Design

Data Elements

As outlined in the Terms of Reference, the following elements will be reported where available:

- Base salary
- Target short-term incentive
- Target total cash compensation (base salary and target short-term incentive)
- Eligibility and target long-term incentive*
- Other cash compensation**
- Pension and benefits

*Note: insufficient data was reported by survey participants to report on LTI

**Other cash compensation as reported by participants includes nuclear licensing premiums, lump sum merit, bonuses, allowances.

Survey Design

Statistics Reported

Statistics reported are the 50th and 75th percentiles of the sample:

- 50th percentile (or median) represents the position where 50% of observations are lower and 50% are higher
- 75th percentile represents the position where 75% of observations are lower and 25% are higher
- Simulated 75th percentile:
 - Based on the data suppression guidelines outlined on page 11, where insufficient data was available to report the 75th percentile, a simulated 75th was established from the data reported by the broader survey
 - The simulated 75th was calculated by using the average difference between 50th and 75th across all jobs where both percentiles were reportable

Survey Design

Data Suppression Guidelines

To ensure the confidentiality of data supplied by participants, results are presented under the following standards:

	Number of Organizations	Number of Incumbents
Average	3	3
Median (50 th Percentile)	3	5
75 th Percentile	5	5

Survey Design

Data Aging Methodology

- The National Utility Survey was conducted in the Fall of 2011
- In 2013, the participant base salary data was aged using the following approach:
 - Each survey participant was asked to provide the increase to their job rates and salary structures in 2012 and 2013
 - The compensation data was aged based on the responses provided by each participant
 - Participants were also asked to provide any changes to their short-term incentive plan targets between 2011 and 2013
 - For two companies that did not provide increases to their job rates, the average of all participant results was applied to their data
- The aggregate of these changes were applied to provide total target cash compensation current to 2013

Survey Design

Pensions and Benefits - Methodology

- A quantitative analysis of the pension and benefits programs offered by OPG and the Market comparators has been undertaken to supplement the cash compensation information
- The pension and benefit values for OPG and the Market Data have been determined using Aon Hewitt's Benefit Index[®] methodology (see Appendix C: Benefit Index[®] Methodology for more information)
- These values represent the value being delivered to members using a common set of assumptions and demographics for OPG and for the comparator groups and employing relative value techniques to differentiate the plan designs
- The reported values in the table outlined in Section 3: Survey Results – Pension & Benefits should not be confused with cost to the employer which can be influenced by external factors such as underwriting approaches, pension funding policies, administration fees etc.

Section 2: Survey Results – Target Total Cash

Survey Results – Target Total Cash

Interpretation of Competitiveness

- It is common practice to define an individual's target total cash compensation to be "at market", or competitive to the external market, when the differential between current target total cash compensation and intended market position is within +/- 10%
- Data in the following tables are summarized by job family with position vs. market described in terms of a percent differential from the 50th and 75th percentiles
 - 50th percentile represents the median observation of the matching market salaries
 - 75th percentile represents the position where 75% of observations are lower and 25% are higher

Survey Results – Target Total Cash

Comparator Group 1 – Overview

Group 1: Power Generation, Electrical Utilities and Nuclear Research, Development and Engineering (NRDE)

Group 1 was selected by identifying organizations that represent a direct talent pool for nuclear, thermal and hydroelectric power generation positions within OPG. Electric Utilities that operate within the same general sector and hire employees with similar transferable skill sets for some OPG positions were also included. Similarly, Nuclear Research, Development and Engineering organizations with a direct talent pool for nuclear generation positions were included.

- AltaLink
- BC Hydro and Transmission
- Bruce Power
- Enmax Corporation
- FortisAlberta
- Hydro Quebec
- Independent Electric System Operator
- Manitoba Hydro
- Nalco Energy
- New Brunswick Power
- New Brunswick System Operator

- Nova Scotia Power
- SaskPower
- Toronto Hydro
- Transalta
- TransCanada
- Yukon Energy Corporation

NRDE:

- Atomic Energy of Canada Limited
- Candu Energy Inc.

Summary of Survey Results – Target Total Cash

Findings and Observations – Group 1

- OPG's overall competitive position to the survey target total cash findings at the 50th percentile (median) for Group 1 is as follows:
 - OPG's PWU Group's target total cash compensation is above the market competitive zone at the 50th percentile
 - OPG's Society Group's target total cash compensation is within the market competitive zone at the 50th percentile
 - OPG's Management Group's target total cash compensation is within the market competitive zone at the 50th percentile

Survey Results – Target Total Cash

Findings and Observations – Group 1

PWU

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	498	686	36%	33%
Engineering	34	26	21%	10%
Environment, Health & Safety	75	162	-8%	-17%
Finance	98	49	35%	22%
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	2,636	4,051	23%	7%
Operations	1,043	1,059	5%	-2%
Supply Chain, Materials Mgmt & Purchasing	65	163	33%	13%
Corporate Services	-	-	-	-
Average: PWU (Weighted by OPG (incumbent matches))			20.5%	8.1%

Survey Results – Target Total Cash

Findings and Observations – Group 1

Society

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	1	4	-	-
Engineering	1,139	2,641	-1%	-10%
Environment, Health & Safety	11	30	10%	0%
Finance	40	143	-12%	-20%
Human Resources	-	-	-	-
Information Technology	30	106	-1%	-9%
Maintenance	226	57	-15%	-23%
Operations	27	35	4%	-5%
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	9	19	22%	11%
Average: Society (Weighted by OPG incumbent matches)			-2.9%	-12.0%

Survey Results – Target Total Cash

Findings and Observations – Group 1

Management

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	127	200	7%	-2%
Engineering	32	245	2%	-11%
Environment, Health & Safety	3	29	13%	0%
Finance	27	70	-6%	-16%
Human Resources	48	70	3%	-7%
Information Technology	-	-	-	-
Maintenance	16	29	-8%	-17%
Operations	24	51	8%	1%
Supply Chain, Materials Mgmt & Purchasing	1	3	-	-
Corporate Services	11	57	-10%	-20%
Average: Management (Weighted by OPG incumbent matches)			3.0%	-6.5%

Survey Results – Target Total Cash

Comparator Group 2 – Overview

Group 2: Nuclear Power Generation and Electric Utilities

Group 2 represents a sub-set of companies from Group 1. It was selected to assess OPG's pay levels vis-à-vis Nuclear Power Generation and Electric Utilities organizations.

- Atomic Energy of Canada Limited
- Bruce Power
- Candu Energy Inc.
- Hydro Quebec
- New Brunswick Power

Summary of Survey Results – Target Total Cash

Findings and Observations – Group 2

- OPG's overall competitive position to the survey target total cash findings at the 50th percentile (median) for Group 2 is as follows:
 - OPG's PWU Group's target total cash compensation is above the market competitive zone at the 50th percentile
 - OPG's Society Group's target total cash compensation is within the market competitive zone at the 50th percentile
 - OPG's Management Group's target total cash compensation is within the market competitive zone at the 50th percentile

Survey Results – Target Total Cash

Findings and Observations – Group 2

PWU

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	498	508	35%	22%
Engineering	-	-	-	-
Environment, Health & Safety	75	162	-8%	-17%
Finance	-	-	-	-
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	2,353	2,566	22%	5%
Operations	550	346	-3%	-13%
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	-	-	-	-
Average: PWU (Weighted by OPG incumbent matches)			19.1%	4.3%

Survey Results – Target Total Cash

Findings and Observations – Group 2

Society

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	-	-	-	-
Engineering	1,094	1,408	-1%	-10%
Environment, Health & Safety	-	-	-	-
Finance	-	-	-	-
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	208	29	-18%	-26%
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	-	-	-	-
Average: Society (Weighted by OPG incumbent matches)			-3.8%	-12.9%

Survey Results – Target Total Cash

Findings and Observations – Group 2

Management

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	-	-	-	-
Engineering	24	119	0%	-9%
Environment, Health & Safety	2	7	20%	9%
Finance	3	8	-24%	-31%
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	16	29	-8%	-17%
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	-	-	-	-
Average: Management (Weighted by OPG incumbent matches)			-3.4%	-12.6%

Survey Results – Target Total Cash

Comparator Group 3 – Overview

Group 3: General Industry

Group 3 was selected to obtain data on general industry organizations that OPG shares a talent pool with for general industry positions. Nationally reported data from two published survey sources is represented in the analysis.

- Aon Hewitt's Total Compensation Measurement Survey (TCM) - 251 participating organizations
- Mercer Benchmark Database (MBD) - 799 participating organizations

Summary of Survey Results – Target Total Cash

Findings and Observations – Group 3

- OPG's overall competitive position to the survey target total cash findings at the 50th percentile (median) for Group 3 is as follows:
 - OPG's PWU Group's target total cash compensation is above the market competitive zone at the 50th percentile
 - OPG's Society Group's target total cash compensation is above the market competitive zone at the 50th percentile
 - OPG's Management Group's target total cash compensation is above the market competitive zone at the 50th percentile

Survey Results – Target Total Cash

Findings and Observations – Group 3

PWU

Group 3: General Industry

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	498	13,990	25%	12%
Engineering	-	-	-	-
Environment, Health & Safety	-	-	-	-
Finance	98	1,374	53%	32%
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	-	-	-	-
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	3	925	56%	33%
Corporate Services	-	-	-	-
Average: PWU (Weighted by OPG incumbent matches)			29.4%	15.7%

Survey Results – Target Total Cash

Findings and Observations – Group 3

Society

Group 3: General Industry

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	1	6	15%	-31%
Engineering	-	-	-	-
Environment, Health & Safety	-	-	-	-
Finance	40	4,034	20%	6%
Human Resources	-	-	-	-
Information Technology	30	1,818	29%	17%
Maintenance	-	-	-	-
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	3	173	6%	-12%
Average: Society (Weighted by OPG incumbent matches)			23.3%	9.4%

Survey Results – Target Total Cash

Findings and Observations – Group 3

Management Group 3: General Industry

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	91	13,990	11%	1%
Engineering	-	-	-	-
Environment, Health & Safety	-	-	-	-
Finance	18	1,749	26%	8%
Human Resources	51	2,429	39%	26%
Information Technology	-	-	-	-
Maintenance	-	-	-	-
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	4	87	-24%	-34%
Average: Management (Weighted by OPG incumbent matches)			20.9%	8.4%

Section 3: Survey Results – Pension & Benefits

Survey Results – Pension & Benefits

Comparator Group 4 – Overview

Comparator Group for Pension & Benefits Analysis

The comparator group for the pension and benefits analysis was obtained from organizations participating in Aon Hewitt Benefit SpecSelect database. These include the 7 organizations listed below, which are also in the Target Total Cash Compensation analysis, and an additional 9 supplementary organizations that are reflective of the sector, complexity and/or size of OPG.

- Atomic Energy of Canada Limited
- BC Hydro
- Enmax
- Hydro Quebec
- Nalco Energy
- Transalta
- TransCanada

Survey Results – Pension & Benefits

Findings and Observations – Group 4

- In the table on page 35, pension (defined benefits/defined contribution) and benefits (health, dental, life insurance and disability benefits) values are defined based on employer-paid value, as is standard industry practice
- The values shown in the table are an estimate of the average value (as defined above) at OPG vis-à-vis the Comparator Group
- Benefits which are pay-related (such as pension, life insurance and disability) are reported as a percent of base pay; benefits which are not pay-dependent (such as medical and dental) have been shown as a flat annual amount

Survey Results – Pension & Benefits

Findings and Observations – Group 4

- The actual pension and benefit value delivered at the individual level differs based on age, years of service, family status, and overall health
- While the average pension value delivered (on an employer-paid basis) is 16.10% of pay at OPG, the range would be 9% for a young, newly hired employee to 22% for an employee in the late stages of his or her career
- Similarly, at the comparator organizations, the average pension value delivered by the employer is 10.77% of pay, with an estimated range of 6% for a newly hired employee to 18% for an employee in the late stages of his or her career
- The main provisions of the pension and benefits programs are the same for all employees; any deviations are immaterial to these calculations and have not been taken into account

Survey Results – Pension & Benefits

Findings and Observations – Group 4

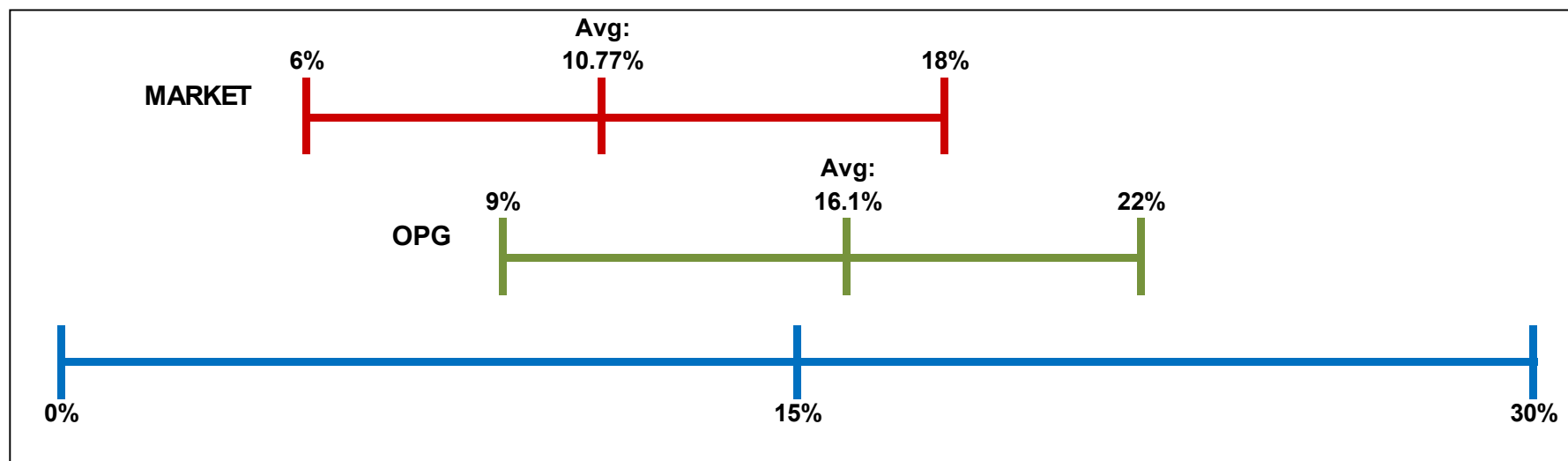
Pension & Benefits – Employer-Paid Value

Category	OPG	Comparator Group
Pension (% of base pay)	16.10%	10.77%
Life/LTD/STD (% of base pay)	4.18%	3.64%
Medical/Dental (\$)	\$2,816	\$2,471

Survey Results – Pension & Benefits

Findings and Observations – Group 4

Range of Employer-Paid Pension Values



- The graph above illustrates the range of employer-paid pension values for OPG and the Comparator Group

Section 4: U.S. Survey Results – Nuclear Premium

U.S. Survey Results – Nuclear Premium

U.S. Organizations

U.S. Power Generation / Electrical Utilities

- Alliant Energy
- Ameren Corporation
- American Electric Power
- Constellation Energy Group, Inc.
- Dayton Power & Light Inc.
- Dominion Resources, Inc.
- Energy Future Holdings Corp.
- Exelon Corporation
- SCANA Corporation
- Xcel Energy

U.S. Survey Results – Nuclear Premium

Approach to Survey Data

- U.S. survey sources were used to gain insight into any differential treatment between nuclear and traditional power generation positions. U.S. data was accessed as only 3 Canadian power generation companies were able to report on both nuclear and traditional power generation jobs in this survey
- In many cases, U.S. comparator organizations used multiple sources of generation
 - Aon Hewitt did not use the absolute salaries from U.S. survey data as they varied substantially given differences in foreign exchange fluctuations, taxation and benefits, regionalization, etc. between U.S. and Canada

U.S. Survey Results – Nuclear Premium

Methodology

- The graph on the page 39 shows the U.S. base pay trend lines for the nuclear jobs and their corresponding non-nuclear counterpart
- In the survey, there were nine instances where U.S. data was available for the same nuclear and non-nuclear job
- These jobs spanned the Maintenance, Engineering and Environment, Health and Safety families and represented Technical, Professional, Management and Executive employees
- The R^2 (coefficient of determination) exceeds 0.9, indicating high correlation in the data comprising the trend lines

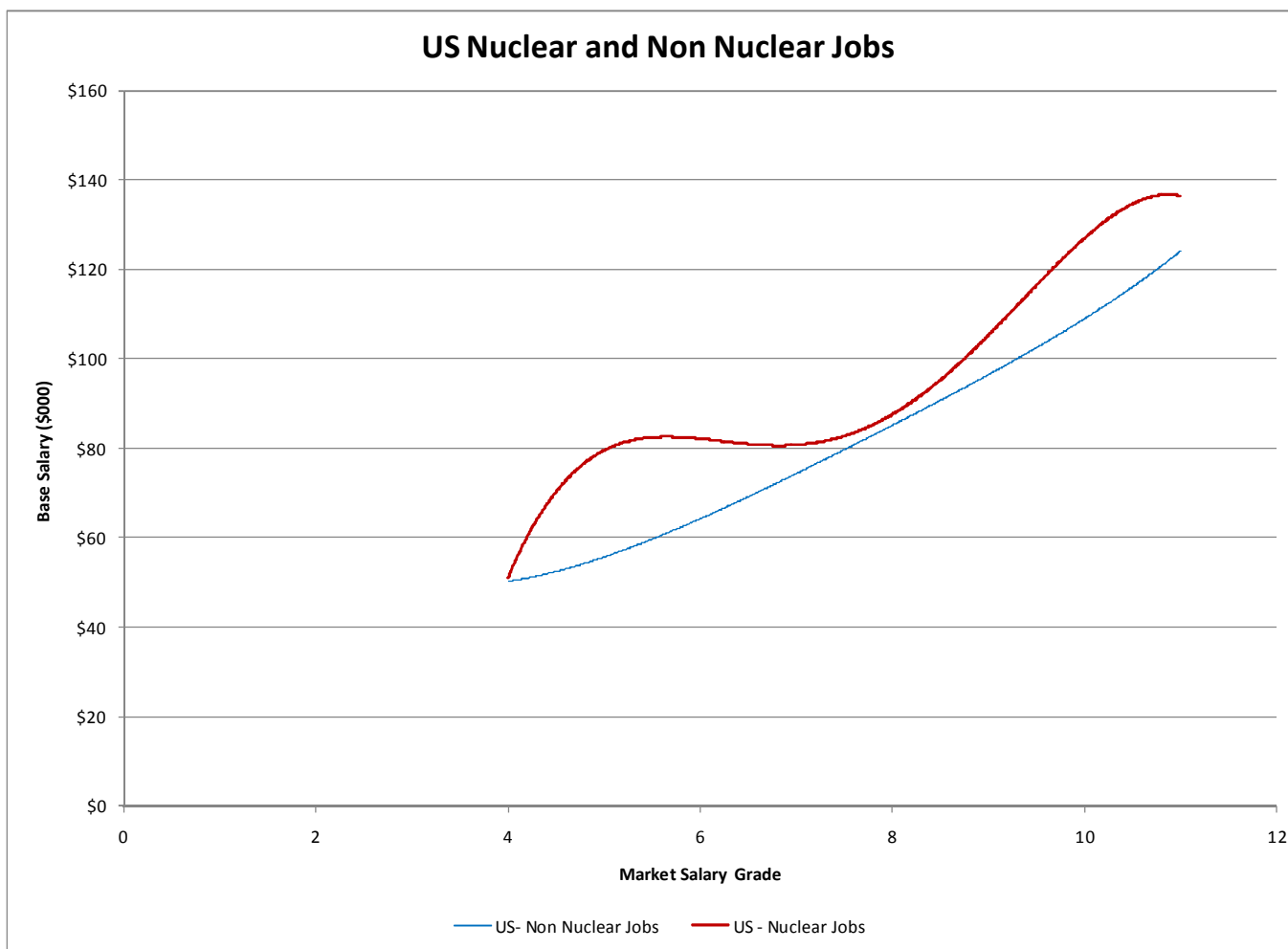
U.S. Survey Results – Nuclear Premium

Findings and Observations

- Our analysis of U.S. companies indicates that nuclear positions are paid a premium of between 0-30% over similar non-nuclear positions; averaging approximately 13% for jobs in the \$50,000 to \$85,000 salary range
- U.S. companies also indicate a premium for positions in the \$120,000 to \$140,000 salary range (approximately)

U.S. Survey Results – Nuclear Premium

Findings and Observations



Appendix A: Base Salary Results

Survey Results – Base Salary

Findings and Observations – Group 1

PWU

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	498	686	40%	37%
Engineering	34	26	21%	10%
Environment, Health & Safety	75	162	-8%	-17%
Finance	98	49	35%	22%
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	2,636	4,051	26%	7%
Operations	1,043	1,059	7%	0%
Supply Chain, Materials Mgmt & Purchasing	65	163	35%	17%
Corporate Services	-	-	-	-
Average: PWU (Weighted by OPG incumbent matches)			23.2%	9.0%

Survey Results – Base Salary

Findings and Observations – Group 1

Society

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	1	4	-	-
Engineering	1,139	2,641	0%	-10%
Environment, Health & Safety	11	30	21%	10%
Finance	40	143	-10%	-18%
Human Resources	-	-	-	-
Information Technology	30	106	6%	-4%
Maintenance	226	57	0%	-9%
Operations	27	35	10%	3%
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	9	19	26%	13%
Average: Society (Weighted by OPG incumbent matches)			0.0%	-9.3%

Survey Results – Base Salary

Findings and Observations – Group 1

Management

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	127	200	5%	-4%
Engineering	32	245	-6%	-15%
Environment, Health & Safety	3	29	8%	0%
Finance	27	70	-6%	-14%
Human Resources	48	70	4%	-5%
Information Technology	-	-	-	-
Maintenance	16	29	-5%	-14%
Operations	24	51	4%	-1%
Supply Chain, Materials Mgmt & Purchasing	1	3	-	-
Corporate Services	11	57	-13%	-23%
Average: Management (Weighted by OPG incumbent matches)			1.1%	-7.2%

Survey Results – Base Salary

Findings and Observations – Group 2

PWU

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	498	508	38%	25%
Engineering	-	-	-	-
Environment, Health & Safety	75	162	-8%	-17%
Finance	-	-	-	-
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	2,353	2,566	26%	7%
Operations	550	346	-3%	-13%
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	-	-	-	-
Average: PWU (Weighted by OPG incumbent matches)			22.4%	5.8%

Survey Results – Base Salary

Findings and Observations – Group 2

Society

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	-	-	-	-
Engineering	1,094	1,408	-1%	-10%
Environment, Health & Safety	-	-	-	-
Finance	-	-	-	-
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	208	29	-2%	-11%
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	-	-	-	-
Average: Society (Weighted by OPG incumbent matches)			-1.1%	-10.5%

Survey Results – Base Salary

Findings and Observations – Group 2

Management

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	-	-	-	-
Engineering	24	119	-8%	-17%
Environment, Health & Safety	2	7	16%	5%
Finance	3	8	-11%	-19%
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	16	29	-5%	-14%
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	-	-	-	-
Average: Management (Weighted by OPG incumbent matches)			-5.9%	-14.8%

Survey Results – Base Salary

Findings and Observations – Group 3

PWU

Group 3: General Industry

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	498	13,990	27%	15%
Engineering	-	-	-	-
Environment, Health & Safety	-	-	-	-
Finance	98	1,374	57%	36%
Human Resources	-	-	-	-
Information Technology	-	-	-	-
Maintenance	-	-	-	-
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	3	925	60%	36%
Corporate Services	-	-	-	-
Average: PWU (Weighted by OPG incumbent matches)			32.4%	18.3%

Survey Results – Base Salary

Findings and Observations – Group 3

Base Salary - Society

Group 3: General Industry

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	1	6	27%	-17%
Engineering	-	-	-	-
Environment, Health & Safety	-	-	-	-
Finance	40	4,034	28%	14%
Human Resources	-	-	-	-
Information Technology	30	1,818	38%	26%
Maintenance	-	-	-	-
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	3	173	15%	0%
Average: Society (Weighted by OPG incumbent matches)			31.2%	17.8%

Survey Results – Base Salary

Findings and Observations – Group 3

Base Salary - Management

Group 3: General Industry

Job Family	#OPG Incumbents	# Market Incumbents	Market Data	
			Differential to P50	Differential to P75
Administration	91	13,990	5%	-5%
Engineering	-	-	-	-
Environment, Health & Safety	-	-	-	-
Finance	18	1,749	24%	8%
Human Resources	51	2,429	32%	20%
Information Technology	-	-	-	-
Maintenance	-	-	-	-
Operations	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-
Corporate Services	4	87	-26%	-34%
Average: Management (Weighted by OPG incumbent matches)			15.0%	3.4%

Survey Results – Base Salary

Findings and Observations – Group 1

All Representations

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

	Differential to Market								
	PWU			Society			Management		
Job Family	Avg.	P50	P75	Avg.	P50	P75	Avg.	P50	P75
Administration	39%	40%	37%	22%	-	-	2%	5%	-4%
Engineering	20%	21%	10%	-1%	0%	-10%	-8%	-6%	-15%
Environment, Health & Safety	-6%	-8%	-17%	20%	21%	10%	9%	8%	0%
Finance	27%	35%	22%	-9%	-10%	-18%	-7%	-6%	-14%
Human Resources	-	-	-	-	-	-	8%	4%	-5%
Information Technology	-	-	-	7%	6%	-4%	-	-	-
Maintenance	24%	26%	7%	1%	0%	-9%	-4%	-5%	-14%
Operations	7%	7%	0%	11%	10%	3%	2%	4%	-1%
Supply Chain, Materials Mgmt & Purchasing	27%	35%	17%	-	-	-	-18%	-	-
Corporate Services	-	-	-	20%	26%	13%	-15%	-13%	-23%
Weighted Average:	21.0%	23.2%	9.0%	-0.1%	0.0%	-9.3%	0.3%	1.1%	-7.2%

Survey Results – Base Salary

Findings and Observations – Group 2

All Representations

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	Differential to Market								
	PWU			Society			Management		
	Avg.	P50	P75	Avg.	P50	P75	Avg.	P50	P75
Administration	40%	38%	25%	-	-	-	-	-	-
Engineering	-	-	-	-1%	-1%	-10%	-9%	-8%	-17%
Environment, Health & Safety	-6%	-8%	-17%	-	-	-	17%	16%	5%
Finance	-	-	-	-	-	-	-8%	-11%	-19%
Human Resources	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-	-
Maintenance	27%	26%	7%	-1%	-2%	-11%	-4%	-5%	-14%
Operations	-2%	-3%	-13%	-	-	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-	-	-	-	-	-
Corporate Services	-	-	-	-	-	-	-	-	-
Weighted Average:	23.4%	22.4%	5.8%	-1.3%	-1.1%	-10.5%	-5.8%	-5.9%	-14.8%

Survey Results – Base Salary

Findings and Observations – Group 3

All Representations

Group 3: General Industry

Job Family	Differential to Market								
	PWU			Society			Management		
	Avg.	P50	P75	Avg.	P50	P75	Avg.	P50	P75
Administration	28%	27%	15%	7%	27%	-17%	6%	5%	-5%
Engineering	-	-	-	-	-	-	-	-	-
Environment, Health & Safety	-	-	-	-	-	-	-	-	-
Finance	54%	57%	36%	24%	28%	14%	21%	24%	8%
Human Resources	-	-	-	-	-	-	29%	32%	20%
Information Technology	-	-	-	38%	38%	26%	-	-	-
Maintenance	-	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	47%	60%	36%	-	-	-	-	-	-
Corporate Services	-	-	-	13%	15%	0%	-27%	-26%	-34%
Weighted Average:	32.5%	32.4%	18.3%	29.2%	31.2%	17.8%	14.1%	15.0%	3.4%

Appendix B: Target Total Cash Summary

Survey Results – Target Total Cash

Summary – Group 1

All Representations

Group 1: Power Generation, Electric Utilities, and Nuclear, Research, Development and Engineering (NRDE)

	Differential to Market								
	PWU			Society			Management		
Job Family	Avg.	P50	P75	Avg.	P50	P75	Avg.	P50	P75
Administration	35%	36%	33%	16%	-	-	5%	7%	-2%
Engineering	18%	21%	10%	-1%	-1%	-10%	-2%	2%	-11%
Environment, Health & Safety	-6%	-8%	-17%	8%	10%	0%	12%	13%	0%
Finance	23%	35%	22%	-10%	-12%	-20%	-6%	-6%	-16%
Human Resources	-	-	-	-	-	-	0%	3%	-7%
Information Technology	-	-	-	1%	-1%	-9%	-	-	-
Maintenance	22%	23%	7%	-14%	-15%	-23%	-8%	-8%	-17%
Operations	5%	5%	-2%	3%	4%	-5%	7%	8%	1%
Supply Chain, Materials Mgmt & Purchasing	23%	33%	13%	-	-	-	-25%	-	-
Corporate Services	-	-	-	9%	22%	11%	-16%	-10%	-20%
Weighted Average:	19.1%	20.5%	8.1%	-3.2%	-2.9%	-12.0%	0.8%	3.0%	-6.5%

Survey Results – Target Total Cash

Findings and Observations – Group 2

All Representations

Group 2: Nuclear Power Generation and Electric Utilities

Job Family	Differential to Market								
	PWU			Society			Management		
	Avg.	P50	P75	Avg.	P50	P75	Avg.	P50	P75
Administration	40%	35%	22%	-	-	-	-	-	-
Engineering	-	-	-	-1%	-1%	-10%	-2%	0%	-9%
Environment, Health & Safety	-6%	-8%	-17%	-	-	-	22%	20%	9%
Finance	-	-	-	-	-	-	-12%	-24%	-31%
Human Resources	-	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-	-
Maintenance	25%	22%	5%	-17%	-18%	-26%	-8%	-8%	-17%
Operations	-2%	-3%	-13%	-	-	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	-	-	-	-	-	-	-	-	-
Corporate Services	-	-	-	-	-	-	-	-	-
Weighted Average:	22.1%	19.1%	4.3%	-3.9%	-3.8%	-12.9%	-3.4%	-3.4%	-12.6%

Survey Results – Target Total Cash

Findings and Observations – Group 3

All Representations

Group 3: General Industry

Job Family	Differential to Market								
	PWU			Society			Management		
	Avg.	P50	P75	Avg.	P50	P75	Avg.	P50	P75
Administration	24%	25%	12%	-5%	15%	-31%	11%	11%	1%
Engineering	-	-	-	-	-	-	-	-	-
Environment, Health & Safety	-	-	-	-	-	-	-	-	-
Finance	49%	53%	32%	16%	20%	6%	23%	26%	8%
Human Resources	-	-	-	-	-	-	35%	39%	26%
Information Technology	-	-	-	30%	29%	17%	-	-	-
Maintenance	-	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-	-
Supply Chain, Materials Mgmt & Purchasing	40%	56%	33%	-	-	-	-	-	-
Corporate Services	-	-	-	1%	6%	-12%	-28%	-24%	-34%
Weighted Average:	28.0%	29.4%	15.7%	20.8%	23.3%	9.4%	18.8%	20.9%	8.4%

Appendix C: Benefit Index® Methodology

Benefit Index[®] Methodology

General Premises

We use different methods to value the different elements of a benefits program. In developing and refining these methods, we have used the following criteria:

- The method must give a reasonable comparison of the value of the different types of plans within a benefit area (e.g., a reasonable comparison of a final (average) pay pension formula with a career (average) pay pension formula requires an assumption about pay increases; a comparison of the value of medical benefits should not depend on whether or not the benefits are insured)
- The method must give a reasonable comparison of the overall value of the benefits program, recognizing that certain benefits are more valuable than others

Benefit Index[®] Methodology

Employee Population Base

To facilitate comparisons, one common population is used in determining the relative value indexes. This population has the characteristics of the salaried personnel found in a typical Canadian organization.

This population does not represent your actual salaried employee workforce. However, we do not think the use of your actual salaried employee workforce would have significantly altered the relative values shown in this report or the conclusions to be drawn from them.

Benefit Index[®] Methodology

Developing the Relative Value Indexes

In general, the value of a benefit is determined in one of two ways:

- For each individual in the population, the probability of an event (such as disability) is multiplied by the lump sum value of all amounts to be paid arising from that event
- OR
- A value is calculated by establishing the value as a percent of pay for the year (an allocation of postretirement values to working years)

The actuarial and employee participation assumptions used are chosen with the intention of being as “realistic” as possible. In effect, these values are summed up for all the employees in the model population, recognizing that the value of the various benefits varies with each individual’s circumstances - age, service, sex, and compensation level. The relative value in any benefit area then recognizes, on a composite basis, the value to an entire employee group - using a mix of employees who have a variety of individual circumstances.

Benefit Index[®] Methodology

Treatment of Flexible Benefits

For companies with broad flexible benefits programs, the procedure for developing values is as follows:

- The employees in the model population are assumed to elect the various benefits in the same percentages as each employer's own experience
- Based on these elections and the price tags associated with each option, the required employee contributions are calculated
- The pool of flexible credits is calculated based on the employer's credit-generation formula(s)
- Flexible credits are subtracted from employee price tags to determine the net employee contribution for each option
- Where the credits are not generated in respect of a particular benefit area, the credits are allocated to each benefit area in proportion to the price tags.
- Where the flexible credits are in excess of the price tags, these are referred to as "excess credits"

In general, when qualitatively comparing flexible benefits program designs, it is recommended that you focus on those options that either have the highest employee participation (driver of total value) or the option for which the employer pays (driver of employer-paid value).

Benefit Index[®] Methodology

A Note of Clarification

This study is an analysis of the value of the benefits provided within an organization's benefits program. This has been done with the objective of focusing on the question of benefits program design and is not intended to be an analysis of cost. An organization's benefits "costs" are affected not only by the benefits themselves, but also by accounting and financing decisions and background, such as:

- The use of a conservative versus a liberal basis for funding the pension plan (e.g., low discount rate versus high discount rate);
- The number of years a pension plan has been in existence and its asset performance during that time;
- Decisions to provide directly or insure a particular benefit;
- An organization's internal accounting practices (e.g., for vacation time);
- Pooling of experience among groups (e.g., a disability benefit plan covering both hourly and salaried employees)

The items in the above list do not impact the underlying value of the benefits design and therefore are not elements in this analysis. The question of whether the present funding-financing-accounting decisions are the most appropriate or the best "buy" is a separate subject.

Benefit Index® Methodology

Benefit Areas Included

The benefits included are those which have substantial value and which can be fairly compared. Additional forms of direct compensation and government-required programs are not included.

The benefits are grouped as shown below. Some of the benefits not included are benefits like severance pay, supplemental unemployment benefits, business travel accident insurance, extra individual accident coverage, tuition refund programs, matching donation programs, work and family benefits, and government-required programs.

- Retirement

- Defined Benefit Pension: Includes all postretirement payments to an employee and spouse. Vested benefits and disability benefits payable from the pension plan after age 65 are included. Preretirement death benefits (lump sum and annuity-type) and the portion of any disability benefit payable from the pension plan prior to age 65 are not included (these benefits are reflected in the Death and Disability indexes respectively)
- Defined Contribution: Includes savings, profit sharing, money purchase pension, and stock purchase plans with a direct and significant employer subsidy. Only the retirement value of defined contribution accounts has been included. Any assumed payment due to death prior to retirement has been reflected in the Death indexes. Payments that occur upon disability are considered to be retirement benefits

Benefit Index[®] Methodology

Benefit Areas Included

- **Death**
 - Includes all lump sum payments and annuity or periodic payments resulting from preretirement death, including those that are insured, self-insured, or payable from the defined benefit and/or defined contribution plans. The traditional “group life” benefits have been shown in a separate index as well to allow some additional analysis
- **Disability**
 - Has been split into short-term disability and long-term disability by defining short-term benefits as those payable in the first six months, without regard to source. That is, the Short-Term Disability index includes long-term disability plan benefits if they are payable in the first six months of disability. Similarly, the Long-Term Disability index includes accident and sickness and salary continuation benefits payable beyond six months
- **Health Care**
 - Includes the traditional hospital-medical-surgical benefits as well as dental, hearing, and vision benefits. Preretirement health care values are shown separately for medical and dental plans to allow for specific analysis of each

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