

UNDERTAKING J9.6

Undertaking

To provide compensation information in the form of Appendix 2k filing.

Response

The table below provides employee compensation information consistent with the filing requirements for OPG established in EB-2009-0031 in the format of a modified Appendix 2k filing. Sources of the information are provided in the notes below.

The following modifications to the 2k filing were made in the table:

- OPG's employee groups do not include separate "executive" or "union/non-union". These breakouts have been omitted from the table.
- OPG does not have numbers for "Last Rebasing" and has provided information for historic years (2008 and 2009), bridge and test years.
- Headcount has been provided for historic years and FTEs are provided for bridge and test years, consistent with OPG's evidence.
- Forecasts for bridge and test years are not broken down by Management, Society and PWU. OPG does not prepare forecast information on this basis.
- Total compensation charged to OM&A and total compensation capitalized are not provided. Compensation data on this basis is not readily available.

Notes to the table (numbers refer to row numbers in the table):

1. (a.) Number of Regular (b.) Non-Regular Employees:

- 2008 and 2009 headcounts include corporate allocations.
- 2008 headcounts are from Interrogatory L-04-031.
- 2009 headcounts are from Ex. F4-T3-S1, Chart 1.
- 2010-2012 FTE forecasts are provided from Ex. F1-T2-S1, Table 3 and Ex. F2-T2-S1, Tables 13 and 14. See Ex. F1-T2-S1 and Ex. F2-T2-S1 for explanations of the forecasted FTEs and the methodology for allocating corporate support and Regulated Hydroelectric central support.

2. (a.) Total Salary and Wages (2008 - 2009): Calculated from 2008 and 2009 year-end payroll system data. Headcounts for Nuclear, Regulated Hydroelectric and Allocated Corporate Support are multiplied by the average salary (\$K) for each employee group. For 2009 these data are provided in Ex. F4-T3-S1, Charts 1 and 3.

(b.) Total Salary Wages and Benefits (2010 - 2012): Derived from Nuclear and Regulated Hydroelectric aggregate compensation costs provided in interrogatory L-01-074 minus the sum of "Total Pension Cost" and "Total OPEB Cost" for Nuclear and Regulated Hydroelectric provided in Ex. F4-T3-S1, Chart 9. Values include Allocated Corporate Support costs.

3. Benefits (Non-Statutory): For 2008 and 2009, amounts are from the year-end payroll system data. Headcounts for Nuclear, Regulated Hydroelectric and Allocated

Corporate Support are multiplied by average benefits (\$K) for each employee group. Ex. F4-T3-S1, Chart 3 shows the 2009 average non-statutory benefits for each employee group and provides notes on non-statutory benefits.

For 2010-2012, benefits are included in the "Total Salary Wages and Benefits" category (in 2b. above). Source information for salary, wages and benefits for 2010 to 2012 does not break out non-statutory benefits.

4. Pension and Post Retirement Benefits: Pension and OPEB costs are the sum of "Total Pension Cost" and "Total OPEB Cost" for Nuclear Regulated Hydroelectric for 2008-2012 in Ex. F4-T3-S1, Chart 9. Values include Allocated Corporate Support costs. These values do not include the increase in pension/OPEB costs referenced in the Impact Statement Ex. N-T1-S1 and proposed for recovery through the pension and Other Post Employment Benefits Cost Variance Account.

5. Total Benefits: For 2008 and 2009 is the sum of "Benefits" and "Pension and Post Retirement Benefits" categories. For 2010 to 2012, separate total benefits information is not available.

6. Total Compensation: All values are from interrogatory L-01-074. For 2008 and 2009, total compensation from L-01-074 is different from the sum of items 2, 3, and 4 above because the breakdown is sourced from the payroll system which uses average dollar values for the compensation categories.

7. 10. (a-d) Compensation Averages - Yearly Base Wages, Overtime, Incentive Pay and Benefits: For 2008 and 2009, headcounts for Nuclear, Regulated Hydroelectric and Allocated Corporate Support from year-end payroll system data are used to create weighted average compensation for each employee group. Headcounts for Nuclear, Regulated Hydroelectric and Allocated Corporate Support are multiplied by the specific average compensation category (i.e., Yearly Base Wages) within each employee group and summed to the weighted average compensation, for example, "Management Yearly Base Wages". Ex. F4-T3-S1, Chart 3 shows the average compensation categories by employee group for 2009.

For 2010 - 12, average compensation categories are from interrogatory L-14-021 which is based on Ex. F4-T3-S1, Chart 3. The 2010 - 2012 charts provide average compensation information for Nuclear, Regulated Hydroelectric and Allocated Corporate Support. Because OPG does not forecast FTEs according to employee groups, a weighted average compensation calculation cannot be provided for all regulated employees.

The values do not reflect the removal of \$12M from the test period revenue requirement associated with removal of Management wage escalation to April 1, 2012, as per the Impact Statement, Ex. N-T1-S1.

EMPLOYEE COSTS

	Historical Year (2008)	Historical Year (2009)	Bridge Year (2010)	Test Year (2011)	Test Year (2012)
1a. Number of Regular Employees	(Headcount)	(Headcount)	(FTEs)	(FTEs)	(FTEs)
Management	992	996			
Society	3047	3152			
PWU	5330	5277			
Total	9369	9425			
Regulated Hydroelectric			323	323	320
Nuclear			7155	6808	6659
Allocated Corporate Support			913	897	879
Total			8391	8028	7858
1b. Number of Non-Regular Employees					
Management	16	12			
Society	46	47			
PWU	666	518			
Total	729	577			
Regulated Hydroelectric			Not Available		
Nuclear			400	247	161
2a. Total Salary and Wages (2008-09)	(M\$)		2b. Total Salary Wages and Benefits (2010-12)		
Management	\$150.7	\$151.4			
Society	\$348.9	\$368.7			
PWU	\$561.2	\$571.8			
Total	\$1,060.8	\$1,092.0			
Nuclear			\$1116.2	\$1045.3	\$1006.8
Regulated Hydroelectric			\$48.0	\$49.4	\$49.5
Total			\$1,164.2	\$1,094.7	\$1,056.3
3. Benefits (Non-Statutory)	(M\$)				
Management	\$7.1	\$7.0	(included in 2b. above)		
Society	\$16.5	\$17.4			
PWU	\$22.9	\$23.4			
Total	\$46.5	\$47.8			
4. Pension and Post-Retirement Benefits (M\$)					
Nuclear	\$309.9	\$185.0	\$246.1	\$273.3	\$329.5
Regulated Hydroelectric	\$14.9	\$9.3	\$12.3	\$13.8	\$16.4
Total	\$324.8	\$194.3	\$258.4	\$287.1	\$345.9
5. Total Benefits (Non-Statutory Benefits and Pension/OPEB) (M\$)					
Total	\$371.3	\$242.1	Not Available		
6. Total Compensation (Salary, Wages, & Benefits) (M\$)					

	Historical Year (2008)	Historical Year (2009)	Bridge Year (2010)	Test Year (2011)	Test Year (2012)
Nuclear	\$1206.13	\$1265.01	\$1,243.4	\$1,196.2	\$1,210.8
Regulated Hydroelectric	\$45.2	\$45.5	\$47.9	\$50.4	\$52.7
Allocated Corporate Support	\$126.0	\$128.9	\$131.4	\$135.2	\$138.6
Total	\$1,377.2	\$1,439.3	\$1,422.7	\$1,381.7	\$1,402.2
7a. Compensation - Average Yearly Base Wages (Regular EEs Only) (K\$)					
Management	\$120.1	\$122.4			
Society	\$94.5	\$96.7			
PWU	\$74.3	\$77.4			
7b. Nuclear Compensation - Average Yearly Base Wages (Regular EEs Only) (K\$)					
Management			\$131.1	\$135.1	\$139.1
Society			\$100.5	\$104.6	\$108.8
PWU			\$81.5	\$84.8	\$88.2
7c. Hydro Compensation - Average Yearly Base Wages (Regular EEs Only) (K\$)					
Management			\$125.6	\$129.3	\$133.2
Society			\$95.6	\$99.5	\$103.4
PWU			\$84.6	\$88.0	\$91.5
7d. Corporate Support Compensation - Average Yearly Base Wages (Regular EEs Only) (K\$)					
Management			\$119.2	\$122.7	\$126.4
Society			\$101.5	\$105.5	\$109.7
PWU			\$65.6	\$68.2	\$70.9
8a. Compensation - Average Yearly Overtime (Regular EEs Only) (K\$)					
Management	\$0.9	\$0.5			
Society	\$12.9	\$12.7			
PWU	\$15.6	\$15.7			
8b. Nuclear Compensation - Average Yearly Overtime (Regular EEs Only) (K\$)					
Management			\$0.9	\$1.0	\$1.0
Society			\$15.7	\$16.4	\$17.0
PWU			\$18.0	\$18.7	\$19.5
8c. Hydro Compensation - Average Yearly Overtime (Regular EEs Only) (K\$)					
Management			\$0.7	\$0.7	\$0.8
Society			\$4.9	\$5.1	\$5.3
PWU			\$8.3	\$8.6	\$9.0
8d. Corporate Support Compensation - Average Yearly Overtime (Regular EEs Only) (K\$)					
Management			\$0.0	\$0.0	\$0.0
Society			\$2.3	\$2.4	\$2.5
PWU			\$2.1	\$2.2	\$2.3
9a. Compensation - Average Yearly Incentive Pay (Regular EEs					

	Historical Year (2008)	Historical Year (2009)	Bridge Year (2010)	Test Year (2011)	Test Year (2012)
Only) (K\$)					
Management	\$20.5	\$18.0			
Society	\$3.3	\$3.1			
PWU	\$2.5	\$2.2			
9b. Nuclear Compensation - Average Yearly Incentive Pay (Regular EEs Only) (K\$)					
Management			\$18.6	\$19.2	\$19.8
Society			\$3.4	\$3.6	\$3.7
PWU			\$2.5	\$2.6	\$2.7
9c. Hydro Compensation - Average Yearly Incentive Pay (Regular EEs Only) (K\$)					
Management			\$19.5	\$20.1	\$20.7
Society			\$2.2	\$2.3	\$2.4
PWU			\$1.0	\$1.1	\$1.1
9d. Corporate Support Compensation - Average Yearly Incentive Pay (Regular EEs Only) (K\$)					
Management			\$18.4	\$19.0	\$19.6
Society			\$2.5	\$2.6	\$2.7
PWU			\$1.1	\$1.2	\$1.2
10a. Compensation - Average Yearly Benefits (Regular EEs Only) (K\$)					
Management	\$7.1	\$7.1			
Society	\$5.4	\$5.5			
PWU	\$4.3	\$4.4			
10b. Nuclear Compensation - Average Yearly Benefits (Regular EEs Only) (K\$)					
			\$7.3	\$7.5	\$7.8
			\$5.7	\$5.9	\$6.2
			\$4.7	\$4.9	\$5.1
10c. Hydro Compensation - Average Yearly Benefits (Regular EEs Only) (K\$)					
Management			\$6.3	\$6.5	\$6.7
Society			\$4.6	\$4.8	\$4.9
PWU			\$4.0	\$4.1	\$4.3
10d. Corporate Support Compensation - Average Yearly Benefits (Regular EEs Only) (K\$)					
Management			\$7.3	\$7.5	\$7.8
Society			\$6.1	\$6.4	\$6.6
PWU			\$4.0	\$4.1	\$4.3
Total Compensation	\$1,377.2	\$1,439.3	\$1,422.7	\$1,381.7	\$1,402.2