

1 As discussed in Ex. A1-4-4, Darlington New Nuclear Program Limited Partnership Inc. (“DNNP
2 LP”) is expected to be a newly prescribed generator under O. Reg. 53/05 and is entering into
3 a lease for the DNNP facilities with OPG. DNNP LP will undertake the development,
4 construction, and operation of the DNNP facilities, with OPG contracted to act as the project
5 manager and operator of the facilities. The Application assumes that DNNP LP enters into the
6 lease and associated agreements and that the DNNP asset transfer from OPG all occur at the
7 end of 2025. DNNP LP will not have its own workforce and will contract for all applicable
8 services with OPG and will therefore reimburse OPG for its fully allocated costs of providing
9 the services. This includes the applicable labour costs of OPG’s workforce. As such, the
10 evidence regarding OPG’s workforce and compensation costs supports both OPG and DNNP
11 LP’s proposed revenue requirements.

12

13 OPG has a wide variety of employees, including skilled trades who operate and maintain the
14 generation facilities, professional staff who provide expertise related to projects and generation
15 facilities, management who direct work functions, and executives who lead the organization.
16 OPG employees work at generating stations, offices and other facilities across the province
17 and are predominantly unionized. Additional details on OPG’s workforce, including the extent
18 of unionization, work locations, and demographics are presented in Section 3.0.

19

20 With the significant change in the energy landscape, OPG’s organizational and workforce
21 strategies have undergone important changes since EB-2020-0290. In addition to continuing
22 to reliably and cost effectively operate its facilities, OPG has expanded priorities from the
23 Province of Ontario (“Province”) to invest in existing and new assets to help meet future
24 electricity needs. As discussed elsewhere in the Application, to help meet these objectives,
25 OPG is executing on the DNNP, planning for the execution of the Pickering Refurbishment
26 Program (“PRP”) and Pickering’s “second life” operations, completing the DRP while
27 addressing emergent equipment reliability needs at the station, and advancing a turbine-
28 generator refurbishment program and other projects to renew an aging hydroelectric fleet.

29

30 To meet this mandate, OPG must ensure it has the necessary skilled workforce and is able to
31 effectively manage the organization through this period of change, while operating within

1 complex collective agreements. In line with these needs, OPG's full-time equivalents ("FTE")
2 are projected to increase by approximately 11% from 2021-2027. This is in contrast to the
3 landscape presented in EB-2020-0290 where the Company was preparing to downsize as a
4 result of the then planned end of Pickering commercial operations in 2025. Instead, OPG is
5 now operating Pickering Units 5-8 until September 2026, prior to refurbishing them for another
6 30-plus years of useful life. The growth and composition of OPG's workforce reflects this
7 change in direction and aligns to the current and upcoming operations and project demands.
8 As OPG progresses through PRP execution, regular headcount is projected to stabilize over
9 the IR term.

10
11 In response to decisions to progress the PRP and other initiatives, OPG has established
12 dedicated strategies to help secure the necessary talent during this period of transition, and
13 for the longer-term future. Through cross functional teams and focused human resources
14 programs, OPG aims to secure and maintain an engaged and capable workforce to deliver on
15 project commitments, ensure an operationally strong fleet, and support continuous
16 improvement. An essential area of focus is skilled trades and science, technology, engineering
17 and math ("STEM") expertise. There is a growing demand for these skillsets locally and in
18 some cases globally, including in the electricity sector. Combined with a shrinking pool of
19 candidates in certain skill areas, this is driving increased competition for talent at a time when
20 OPG's own resourcing needs are increasing. This requires the Company to proactively identify
21 and address current and anticipated skill gaps using a variety of externally and internally
22 focused strategies. These actions are implemented with consideration of labour market
23 conditions, collective bargaining outcomes, financial impacts and risk management, and are
24 further discussed in Section 5.0.

25
26 Given the extent of unionization at OPG, collective bargaining plays a significant role in
27 determining both ongoing compensation costs and workforce and resourcing strategies.
28 Collective agreements prescribe wages, incentives, pension and benefits for unionized
29 employees, and other provisions including contracting out, scheduling, redeployment and
30 downsizing. Since EB-2020-0290, the broader organized labour landscape has become
31 increasingly volatile, with recovery from the COVID-19 pandemic, extraordinary inflation levels,

1 the repeal of *Protecting a Sustainable Public Sector for Future Generations Act, 2019* (“Bill
2 124”) and increased labour action among the factors shaping the collective bargaining
3 environment. While inflation peaks have since then moderated, unions generally continue to
4 seek significant wage increases and other compensatory improvements to help offset the
5 workers’ cost of living and perceived erosion of purchasing power. These demands are
6 considered by arbitrators as part of arbitration awards. For the energy sector, the above
7 developments have coincided with an increasing demand for skilled labour and qualified
8 professionals to help meet energy policy objectives.

9
10 Since non-unionized (i.e., management) compensation is directly managed by OPG rather
11 than collectively negotiated, it allows for greater cost control. This has enabled OPG to
12 maintain compensation for this group below the target market range. In contrast, compensation
13 for unionized roles is subject to bargaining processes where there is inherently less control
14 and predictability over wage outcomes and where such outcomes continue to be influenced by
15 the principle of replication. Under this principle, an arbitrator aims to “replicate” the wage
16 increase outcomes of the bargaining process using patterns in other arbitration awards and
17 settlements in the same or similar sector or industry. This often results in other unionized
18 organizations’ outcomes, overall wage trends in the sector and labour actions across the
19 industry influencing the arbitration outcome to a greater extent than an entity’s specific
20 circumstances. This patterning effect creates an upward pressure on OPG’s compensation
21 levels.

22
23 In addition, the compensation established in collective agreements can affect management
24 employees by creating wage compression relative to their represented direct reports. This can
25 result in challenges with internal equity, impede career development and make it more difficult
26 to attract experienced employees into management positions. Management compensation is
27 further discussed in Section 6.0.

28
29 Since EB-2020-0290, OPG engaged in two rounds of collective bargaining with the Power
30 Workers’ Union (“PWU”), in 2022 and 2024, and two rounds with the Society of United
31 Professionals (“Society”), in 2021 and 2023. OPG and the PWU reached a two-party

1 agreement in both rounds of bargaining, following extensive negotiations and a failed
2 ratification by the employees in each round. The current collective agreement with the PWU
3 expires on March 31, 2027.

4
5 OPG and the Society were unable to reach a full two-party voluntary agreement in each of the
6 two rounds of bargaining. Pursuant to a binding dispute resolution process in place between
7 the parties, both collective agreements were completed through an arbitrator's award. OPG
8 and the Society have also engaged in bargaining for a new collective agreement effective
9 January 1, 2026, and subsequently proceeded to an arbitration that is taking place in
10 December 2025.

11
12 The above collective bargaining processes spanned the period during which OPG's business
13 and workforce needs evolved from preparing for the Pickering downsizing to resourcing for
14 upcoming projects and anticipated Pickering "second life" operations. OPG's planning for the
15 Pickering downsizing focused on addressing significant workforce challenges and
16 uncertainties, including employee transitions and attrition, while mitigating the substantial cost
17 impacts of reducing the workforce. OPG sought to manage these issues by investing in
18 workforce planning, labour relations, skills retention and targeted recruitment. These efforts
19 are further discussed in Section 4.0.

20
21 Chief among the strategies to manage the Pickering downsizing was negotiating jointly agreed
22 changes to collective agreement provisions that would lessen the operational disruption,
23 timelines and costs of downsizing processes. Notwithstanding the complex labour
24 environment, OPG was able to reach agreements with both the PWU and the Society on more
25 efficient downsizing provisions for a partial or total Pickering closure during the first rounds of
26 bargaining after EB-2020-0290.¹ OPG also succeeded in maintaining the ability to use PWU-
27 represented term-based employees ("Term Employees") and Society-represented extended

¹ These provisions also cover a potential downsizing related to the completion of the Darlington Refurbishment Program.

1 temporary employees (“ETEs”),² a critical strategy in mitigating the impacts of a Pickering
2 shutdown.³ While the Company’s focus then shifted toward the possibility of refurbishing
3 Pickering Units 5-8, these negotiated agreements, along with the various workforce planning
4 tools and strategies developed to help manage staff transitions, are contributing to better
5 workforce planning and greater resource flexibility across the organization. Additional details
6 on Term Employees and ETEs are provided in Section 5.1.

7
8 OPG is now focused on ensuring a smooth workforce transition through the Pickering
9 refurbishment period. Critical to this is ensuring a minimally disruptive, cost effective and timely
10 redeployment of employees from Pickering operations to the PRP and other parts of the
11 organization. In addition to benefiting the PRP execution by utilizing skilled and experienced
12 resources, this transition will support effective business continuity by retaining employees who
13 will be needed to operate and maintain the station once Unit 5 is refurbished. To enable this
14 strategy, OPG successfully negotiated agreements with the PWU and the Society (discussed
15 below), as well with the Building Trades Unions (“BTU”) to permit PWU-represented
16 employees to perform certain refurbishment work. These efforts support optimizing labour
17 resources and help to mitigate any potential risk of skilled trade shortages and are incorporated
18 in the PRP’s release quality estimate cost and schedule commitments.

19
20 In addition to the BTU agreement, OPG successfully secured provisions with the PWU and the
21 Society that allow employees to move between positions and locations without triggering
22 disruptive displacement processes. Under the PWU agreement, OPG has increased flexibility
23 to deploy PWU-represented employees across the fleet and in a wider span of jobs. Under the
24 Society agreement, staff redeployment provisions have been modified to allow OPG to more
25 effectively reassign Society-represented employees within the Durham region, where
26 Pickering, Darlington and many of the supporting functions are located, and where OPG has

² ETEs are used to refer to Society-represented classifications of employees that could be hired to avoid adding regular staff in circumstances where additional regular employees were likely to be laid off as a result of the planned shutdown of Pickering.

³ EB-2020-0290 Ex. F4-3-1, Section 4.0.

1 a sustained need for qualified and skilled professionals.⁴ OPG's workforce redeployment
2 strategy is discussed further in Section 5.1.

3
4 OPG was also able to negotiate broadened job classifications for PWU-represented roles, and
5 greater resourcing flexibility in support of maintenance outages for DNNP operations. This
6 agreement will support an optimized staffing structure and streamlined operating model for
7 which these small modular reactors are designed. These provisions underpin the forecast
8 operating cost assumptions for the DNNP facilities in this Application (Ex. F2-2-1). Finally,
9 OPG also achieved permanent collective agreement provisions with the Society that allow for
10 contracting out of professional services, securing increased agility and the option to manage
11 temporary or peaking resource needs more cost effectively.

12
13 OPG secured the collective bargaining outcomes above while navigating a complex period of
14 extraordinary inflation and broader labour action which, together with the repeal of Bill 124,
15 resulted in elevated wage increases since 2021. The specific wage increases under the PWU
16 and Society collective agreements are discussed in Section 6.2.1, which also shows that these
17 increases broadly aligned with inflation, remain below those of Bruce Power LP ("Bruce
18 Power") and are comparable to those of Hydro One.

19
20 Section 6.0 provides an overview of OPG's compensation elements for both unionized and
21 non-unionized positions and includes a discussion of OPG's actions to manage compensation
22 costs, including a summary of pension and benefit changes that became effective in 2025.
23 This section also includes a summary of compensation costs for employees operating and
24 supporting the prescribed nuclear and regulated hydroelectric facilities, with additional details
25 available in Attachment 1 ("Appendix 2k").

26
27 OPG continues to undertake compensation benchmarking to ensure compensation costs are
28 competitive, cost-effective, and aligned with OPG's business strategy and the environment in

29 _____
⁴ Under previous provisions, Society-represented employees within the Durham region had the option to elect to terminate their employment and access a severance package, despite the ongoing work demands.

1 which OPG operates. In response to changes in the energy sector, OPG engaged Southlea
2 Group (“Southlea”), a third-party compensation consulting firm with expertise in the energy
3 sector, to conduct an independent review of the company’s compensation philosophy
4 (Attachment 2). Based on Southlea’s recommendations, OPG revised its compensation
5 philosophy to more closely align with its evolving role in meeting Ontario’s energy demand and
6 its evolution into a more complex, growing organization. The results of the WTW compensation
7 benchmarking study demonstrate that, overall, OPG’s Total Remuneration⁵ is within the target
8 market range.⁶ Section 8.0 provides an overview of the compensation benchmarking
9 performed by WTW and the full WTW Report is included in Attachment 3.

10
11 WTW also undertook a comparison of OPG’s wages to those provided by Bruce Power
12 (Attachment 4). Bruce Power is OPG’s closest comparator, operating in the same energy
13 industry, with a workforce represented by the same unions in the same provincial labour
14 market. The nuclear operations industry is a niche labour market in Ontario, with comparable
15 roles requiring extensive nuclear knowledge or training not readily found in the province, other
16 than at Bruce Power and OPG. OPG’s compensation levels remain lower compared to Bruce
17 Power. Additionally, WTW provided OPG with an analysis of the tenure of its workforce relative
18 to the energy sector, the results of which demonstrate that OPG generally has a more tenured
19 unionized workforce compared to its peer group (Attachment 5).

20 21 **3.0 OPG’s WORKFORCE**

22 At the end of 2024, OPG employed 10,332 regular, Term and ETE employees.⁷

23 24 **3.1 Unionization**

25 OPG’s employees work in a predominantly unionized environment, with approximately 87% of
26 employees represented by the PWU or the Society. The PWU represents 56% of OPG’s
27 unionized employees and the Society represents the remainder. The proportion of unionization

⁵ Total Remuneration reflects the total direct compensation, pension and benefits, and paid time off for eligible employees as a percentage of base salary (Attachment 2, p. 7).

⁶ Target market range is defined by WTW as +/- 10% of the peer group median or “P50”.

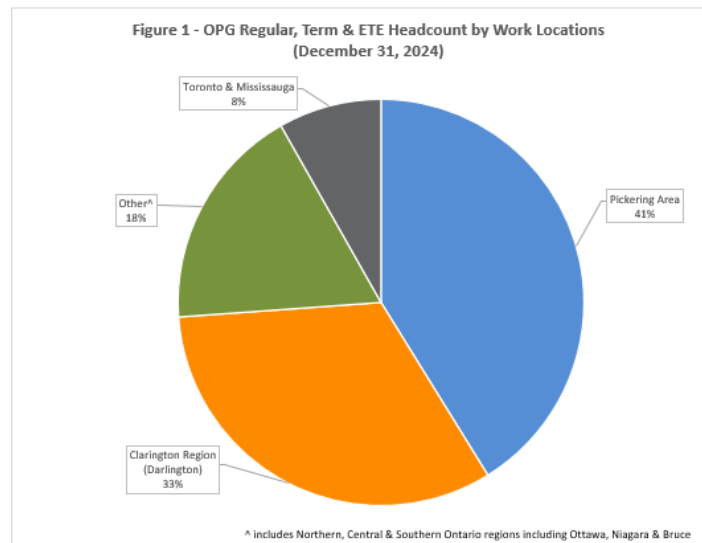
⁷ All total OPG employee statistics are provided excluding OPG’s operating subsidiaries.

1 and the mix of PWU-represented, Society-represented, management (managers/supervisors)
2 and non-unionized individual contributors has generally remained stable over the past several
3 years. The current collective agreement with the PWU is for a three-year term, from April 1,
4 2024-March 31, 2027. The current collective agreement with the Society is for a two-year term,
5 from January 1, 2024-December 31, 2025.

7 **3.2 Work Locations and Employees**

8 OPG's employees work in generating stations and other facilities across the province as shown
9 in Figure 1.

10
11 **Figure 1 – OPG Regular, Term and ETE Headcount by Work Locations**

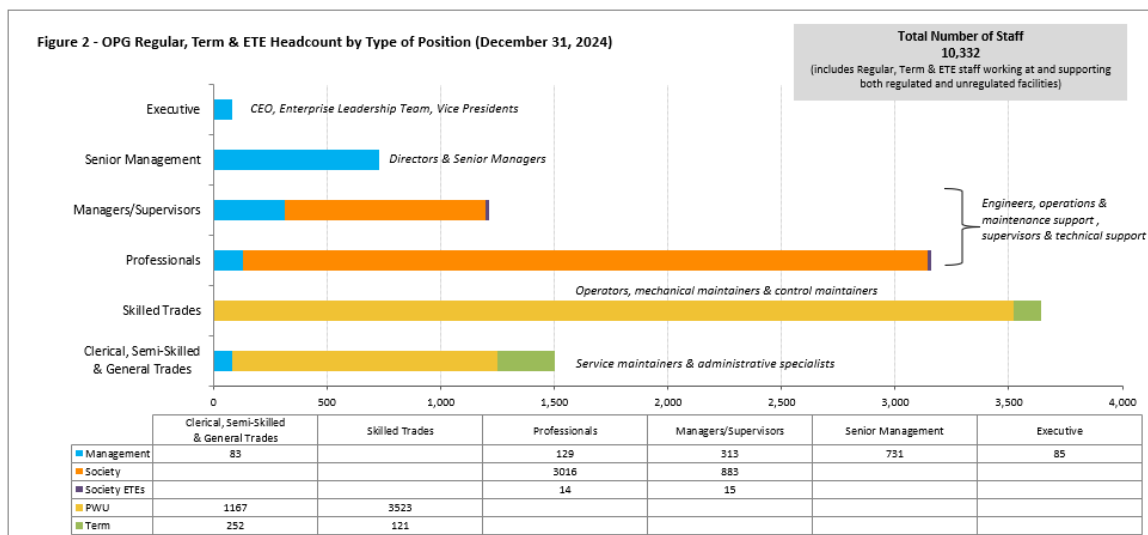


12
13 OPG employs individuals from a variety of disciplines, many of which are specialized technical
14 roles. This includes engineers, and operations and maintenance staff that operate and
15 maintain the nuclear and hydroelectric facilities in a safe and reliable manner. To support the
16 refurbishment and new build programs for generating assets, OPG's demand for qualified
17 project and engineering professionals, which are largely Society-represented roles at OPG, is
18 expected to surpass historical levels. In order for OPG to successfully deliver key projects and
19 initiatives on time, on budget and with the required quality, it is essential to attract and retain
20 project and engineering professionals critical to planning and executing this work. OPG seeks
21 to offer opportunities for professional growth and a strong organizational culture to help attract

1 and retain this talent, which is especially important given that such professionals are often
 2 attracted to opportunities outside of Ontario. These efforts are required to ensure a robust
 3 pipeline of candidates in support of OPG’s mandate and are further discussed in Section 6.2.2.

4
 5 Figure 2 shows an overview of OPG’s headcount (regular, Term Employees and ETEs) by
 6 type of positions as of December 31, 2024. This includes employees supporting OPG’s
 7 regulated and unregulated facilities. As noted in Section 2.0, the increase in the number of
 8 managers and professionals is largely due to employees required to support the advancement
 9 and execution of key projects and initiatives including the PRP, the DNNP and the
 10 refurbishment of the hydroelectric fleet in alignment with the Province’s vision for the future of
 11 energy. This includes engineers, project management professionals, information technology
 12 professionals, including respective trainees.

13
 14 **Figure 2 – OPG Regular and Term Headcount by Type of Position**



15
 16
 17 In addition to Term Employees and ETEs, OPG employs other forms of non-regular labour,
 18 where employees are hired for a fixed period with an end date.

1 **3.3 Demographics**

2 OPG has a mature and experienced workforce. By year-end 2025, approximately 11% of active
3 regular employees (~1,065) will be eligible to retire with an undiscounted pension, with an
4 additional 15% becoming eligible to retire between 2026-2031. Compared to EB-2020-0290,
5 the lower number of employees eligible for fully undiscounted retirement in 2025 reflects
6 changes in the retirement eligibility formula negotiated in 2015 that have now taken effect (see
7 Section 7.0.2 below), and the shift in OPG's overall demographics.

8
9 **4.0 PLANNED PICKERING CLOSURE**

10 As noted in Section 2.0, the planning for the end of commercial operation at Pickering and the
11 associated reduction in the workforce has been marked by significant uncertainty since EB-
12 2020-0290, requiring OPG to navigate evolving business imperatives.

13
14 As discussed in EB-2020-0290, OPG had begun preparing for a large-scale workforce
15 reduction of over 3,000 positions following the then anticipated end of commercial operation
16 of the six Pickering units at the end of 2025. Acknowledging the profound nature that such a
17 downsizing would have on the company, the employees and the local communities, OPG
18 continued to advance these preparations subsequent to EB-2020-0290, with a focus on
19 ensuring continued availability of a skilled workforce while mitigating the material cost impacts
20 of the downsizing. The downsizing costs were expected to include severance obligations, as
21 well as post-station shutdown transition costs for the movement of employees within the
22 organization under complex redeployment and displacement provisions of the collective
23 agreements that would be triggered by a downsizing.

24
25 OPG's key strategies to mitigate the organizational and financial impacts of the downsizing
26 included the hiring of Term Employees and ETEs pursuant to agreements with the unions,
27 facilitating the transfer of regular employees from Pickering to Darlington ahead of the
28 Pickering closure within operational constraints, and leveraging attrition-based headcount
29 reductions, where feasible. Additional details regarding Term Employees and ETEs are
30 provided in Section 5.1.1 below.

1 Another key strategy was negotiating changes to downsizing provisions within the collective
2 agreements, which OPG successfully pursued in the first rounds of collective bargaining that
3 followed EB-2020-0290. These jointly agreed changes related to the planned Pickering closure
4 provided for a more defined and efficient downsizing process that would significantly lessen
5 operational disruption and transition impacts, decreasing the overall cost of a workforce
6 reduction.

7
8 To effectively plan for the Pickering closure, OPG focused on key areas including knowledge
9 management, workforce planning, recruitment, and labour relations. Among others, these
10 preparations included analyzing employee attrition patterns, operationalizing the negotiated
11 collective agreement redeployment provisions, developing tools, processes and the required
12 training programs to manage employee transitions, upgrading workforce modeling capability,
13 implementing programs to address increased staff turnover and mitigate the risk of losing
14 critical resources, and managing labour relations issues. Through these actions, OPG sought
15 to ensure a reasonable and fair transition for both employees and the organization, minimizing
16 operational risks and supporting business continuity throughout the process.

17
18 In parallel with preparing for the Pickering closure, as discussed in Ex. D2-3-1, the Province
19 asked OPG to update its feasibility assessment for refurbishing Pickering Units 5-8 in
20 September 2022, while also expressing its support for OPG's plan to operate Pickering Units
21 5-8 until September 2026, rather than the end of 2025. In August 2023, OPG's Board of
22 Directors approved OPG's updated refurbishment feasibility assessment and in January 2024,
23 the Province announced its support for OPG to proceed with the initiation phase of the project.
24 With the Province's support, OPG continued to advance the PRP through decision gates
25 leading up to the approval to proceed into execution as announced by the Province in
26 November 2025. As the Company increasingly shifted toward the possibility of the
27 refurbishment, OPG began refocusing strategic workforce planning to ensure preparedness
28 for the project, alongside the DNNP and other major work programs, while continuing to
29 manage the risks of a potential downsizing should the refurbishment ultimately not proceed.
30 While a major downsizing is no longer anticipated, many of the tools and strategies developed
31 in preparation for the station's full closure are enabling workforce planning and a more efficient

1 redeployment of employees as they transition from normal operations to the refurbishment and
2 back. These efforts also assisted in mitigating the impacts of Pickering Units 1 and 4 ending
3 commercial operation in the fourth quarter of 2024, as planned.

4
5 As outlined in Ex. H1-1-1, Section 5.21, OPG is seeking recovery of \$7.6M in costs incurred
6 as of December 31, 2024 in connection with the preparations for the Pickering closure through
7 the Pickering Closure Costs Deferral Account.

8 9 **5.0 PLANNING FOR THE FUTURE**

10 In 2020, OPG undertook an organizational realignment with the goal of driving efficiencies and
11 increasing cross-functional synergies and collaboration. These changes resulted in a
12 consolidation of certain functions and incremental cost savings, including a 10% reduction in
13 the number of management positions, marking an important step towards preparing for post-
14 Pickering operations. The reduction in management positions was maintained until 2023, at
15 which point the planning efforts for the potential Pickering refurbishment, the progression of
16 the DNNP and the ramping up of the hydroelectric work program necessitated the addition of
17 management and other positions to facilitate the building out of these major investments. OPG
18 continues to leverage the centralization of functions implemented in 2020, including Support
19 Services, to more effectively scale up (or down) project teams using existing organizational
20 structures.

21
22 Skilled professionals at OPG are responsible for areas such as designing and maintaining
23 infrastructure, ensuring safety and environmental compliance, and advancing digital
24 capabilities such as data systems and cyber security. According to external studies, rapid
25 technological change and a limited supply of STEM graduates have created a skills gap,
26 particularly in the electricity sector, where there have been challenges in attracting and
27 retaining roles, particularly within engineering.⁸ At the same time, the demand for this talent in
28 the energy and other sectors has been increasing.

⁸ Electricity Human Resources Canada Employer Survey in 2023, Labour Market Insights Report, p 49.

1 With growing labour market pressures and a shrinking pool of skilled workers, competition for
2 key talent, particularly energy project professionals, has increased since EB-2020-0290.
3 Compounded by the demand for major infrastructure projects and the success of the DRP,
4 OPG must proactively identify and address any skill gaps in order to secure and retain the
5 workforce needed to deliver on its commitments. Since 2023, OPG has hired approximately
6 500 project managers and engineers and expects to continue hiring to ensure the appropriate
7 resourcing through the IR term. Recruiting for these roles in advance of the PRP execution
8 has helped OPG to continue achieving strong DRP performance (Ex. D2-2-1), progress the
9 DNNP, and meet operational needs while allowing new hires sufficient time to build proficiency
10 and engage in project planning activities.

11

12 Skilled labour employed by OPG is represented by the PWU and is essential for successful
13 execution of OPG's projects, which are inherently time and capital-intensive. According to
14 Electricity Human Resources Canada, while the electricity sector has experienced significant
15 employment growth, the progressive decline in new apprenticeships could lead to a gradual
16 reduction in the pool of skilled trades workers available to the sector.⁹ OPG will continue to
17 focus on strategies to develop employees and ensure they have the right skills in place to meet
18 future workforce needs. This is being accomplished by identifying the necessary skills for
19 OPG's future workforce, strengthening and expanding the skilled trade talent pipeline,
20 expanding early career and career progression opportunities, and strengthening partnerships
21 with educational institutions and programs in the utility and energy industry.

22

23 OPG must navigate these labour market risks at the same time as it moves through the PRP.
24 A comprehensive, risk-based workforce planning strategy is essential to maintaining stability
25 in these circumstances while ensuring the PRP's success and preparing for the future. OPG's
26 workforce transition plans are designed to enable the appropriate staffing for executing current
27 work programs, enabling major projects, and ensuring operational continuity and critical skill
28 retention leading into Pickering's "second life" operations.

⁹ Electricity Human Resources Canada Employer Survey in 2023 Labour Market Insights Report, p 80.

1 **5.1 Workforce Planning and Redeployments**

2 OPG's central strategy to meeting its staffing objectives over the next several years is ensuring
3 the ability to effectively and efficiently redeploy its existing unionized workforce from Pickering
4 operations to the PRP, Darlington operations and the DNNP. This enables two significant
5 benefits. First, it supports optimal resourcing for the PRP, helping to secure sufficient and
6 proficient labour to meet project schedules and creating opportunities to utilize employees
7 familiar with the station to support more efficient, safe execution of certain work. The benefits
8 of this strategy to the PRP are further discussed in Ex. D2-3-4. Redeployment also preserves
9 critical skills and specialized knowledge, mitigates operational disruption and avoids severance
10 and the eventual recruitment costs that would arise in the absence of redeployment. This helps
11 to ensure that Pickering will have the right workforce skillsets and competencies for post-
12 refurbishment operations.

13
14 OPG needed to negotiate union agreements in order to enable the redeployment strategy. As
15 discussed in Section 2.0, OPG successfully secured such agreements with the PWU and the
16 Society that allow employees to move between locations and perform the same or similar work
17 where there is demand. OPG also reached an agreement with the BTU to allow PWU-
18 represented employees to perform certain refurbishment work.

19
20 The BTU agreement was reached in 2023 after it was identified, in anticipation of a potential
21 Pickering refurbishment, that there was an opportunity to optimize value for OPG by proactively
22 addressing union labour jurisdiction restrictions that prevented OPG's PWU-represented
23 employees from performing certain refurbishment work. OPG proactively engaged in
24 negotiations with the BTU. The PWU agreement was reached in 2023, in parallel with OPG's
25 decision to hire a number of Term Employees to regular positions to mitigate attrition and
26 labour market supply risks, subject to a positive decision regarding the Pickering refurbishment
27 (see Section 5.1.1 below).

28
29 In total, OPG anticipates redeploying about 1,300 employees from the Pickering station to the
30 PRP, Darlington, the DNNP and other parts of the organization. As DRP nears completion,
31 about 200 employees will be redeployed primarily to Darlington and the PRP. These transitions

1 are expected to be completed by the end of 2026. The benefits of these measures are reflected
2 in OPG's 2025-2031 Business Plan and in the PRP's release quality estimate, and form part
3 of the cost and staffing plans reflected in the Application.

4
5 A certain portion of the workforce will continue to support Pickering during the refurbishment
6 period. OPG will maintain these necessary resources to ensure compliance with regulatory
7 requirements, perform ongoing and cyclical maintenance, and preserve readiness to re-enter
8 service following the four-unit refurbishment window. Support functions not directly tied to the
9 refurbishment in such areas as security, emergency preparedness, engineering, fleet
10 management, nuclear oversight, and training will continue to sustain the necessary critical
11 operational capabilities of the station. Station requirements during the four-unit refurbishment
12 window are discussed further in Ex. F2-2-1.

13
14 In addition to enabling redeployment flexibility, key strategies OPG has undertaken in
15 workforce planning include:

- 16 • Establishing an enterprise staffing strategy and a hiring oversight committee to ensure that
17 staffing levels and decisions support ongoing operational and project needs, while
18 optimizing the workforce and managing risks for high-demand roles in the market.
- 19 • Developing transition plans to efficiently and effectively manage staff deployment during
20 the completion of the DRP and Pickering Units 5-8 operations in 2026, and the subsequent
21 transition to PRP execution.
- 22 • Implementing targeted training initiatives for developing proficiency in the workforce for the
23 hydroelectric operations. These training and development activities will be critical as
24 Renewable Generation looks to hire additional staff to support the increased work program.
25 described in Ex. F1-1-1, primarily for the regulated hydroelectric refurbishment projects.
- 26 • Increasing local external hiring to Renewable Generation roles in order to reduce regional
27 turnover, and a focus on critical knowledge areas, including water resources, dam safety,
28 and hydroelectric operating technicians.
- 29 • Reintroducing early career programs to better attract talent and ensure continuity in talent
30 pipelines for ongoing operations and key projects.

- 1 • Succession planning to ensure leadership development enables a diverse and robust talent
2 pipeline for the long term.
- 3 • Expanding outreach programs to academic institutions and career fairs to support
4 increased supply in the market for skilled trades and STEM roles.
- 5 • Supporting various skilled trades initiatives to increase a diverse supply, creating an
6 industry wide resource demand profile, and other efforts to balance supply and demand.

7 8 5.1.1 PWU and Society-represented Term-Based Employees

9 To assist in mitigating the anticipated impacts associated with the Pickering closure, as
10 discussed in EB-2020-0290, OPG had negotiated the category of Term Employees with the
11 PWU in the 2015-2018 collective agreement and successfully extended the availability of this
12 classification in subsequent rounds of collective bargaining. In general, Term Employees could
13 be hired instead of regular staff in circumstances where employees were likely to be laid off as
14 a result of the planned shutdown of Pickering. These employees have been hired with the
15 understanding that there is no expectation of ongoing employment after Pickering commercial
16 operations cease (and shut down units' transition through certain safe storage preparation
17 activities), and they are entitled to less severance than PWU-represented regular employees
18 upon layoff.

19
20 Since EB-2020-0290, OPG began to experience noticeably higher attrition among certain Term
21 Employee job classifications. Through continued hiring, the number of Term Employees had
22 peaked close to 1,000.¹⁰ In 2024, with the Province's announcement supporting next steps
23 toward the refurbishment of Pickering Units 5-8 and the progression of the DNNP, and faced
24 with the increased attrition of Term Employees and a tightening labour market supply for these
25 skillsets, OPG made a decision to hire approximately 60% of Term Employees to regular
26 positions, within operations and maintenance areas. As discussed above, OPG made this
27 decision in parallel to securing more flexible redeployment provisions for its PWU-represented
28 employees within the Nuclear business. Pursuant to collective agreement provisions, OPG will
29 have substantially no Term Employees or ETEs in its workforce after 2026.

¹⁰ FTE is calculated at an employee level as labour hours divided by scheduled hours.

6.0 COMPENSATION COSTS AND STAFFING LEVEL TRENDS

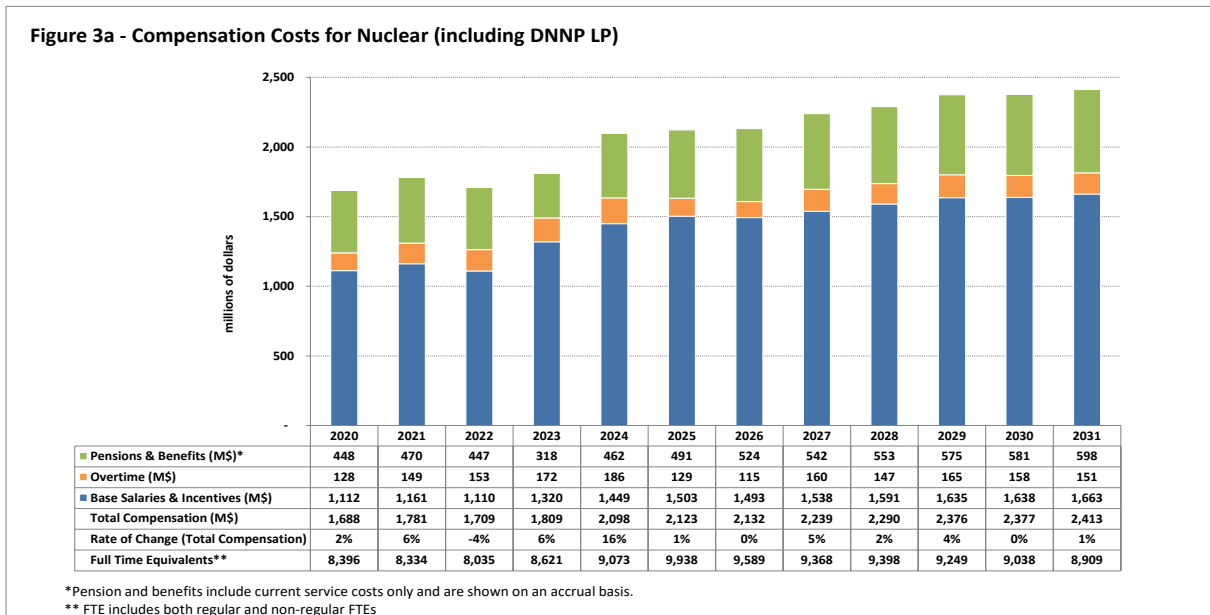
Compensation costs for OPG’s regulated nuclear operations and regulated hydroelectric operations, and the DNNP facilities, are comprised of the following elements:

- Base Salaries and Incentives
- Pension and Benefits
- Overtime

Each of these elements is discussed below, as are FTEs.

Figure 3a summarizes the compensation costs in respect of OPG’s nuclear facilities and the DNNP facilities, as applicable, for 2020-2031. Figure 3b summarizes the compensation costs for OPG’s regulated hydroelectric facilities for 2020-2031. The increases in the costs over time primarily reflect the higher collective agreement wage increases over the last several years as well as wage escalation assumptions over the IR term. The increases in FTEs in the near term also contribute to the higher compensation costs.

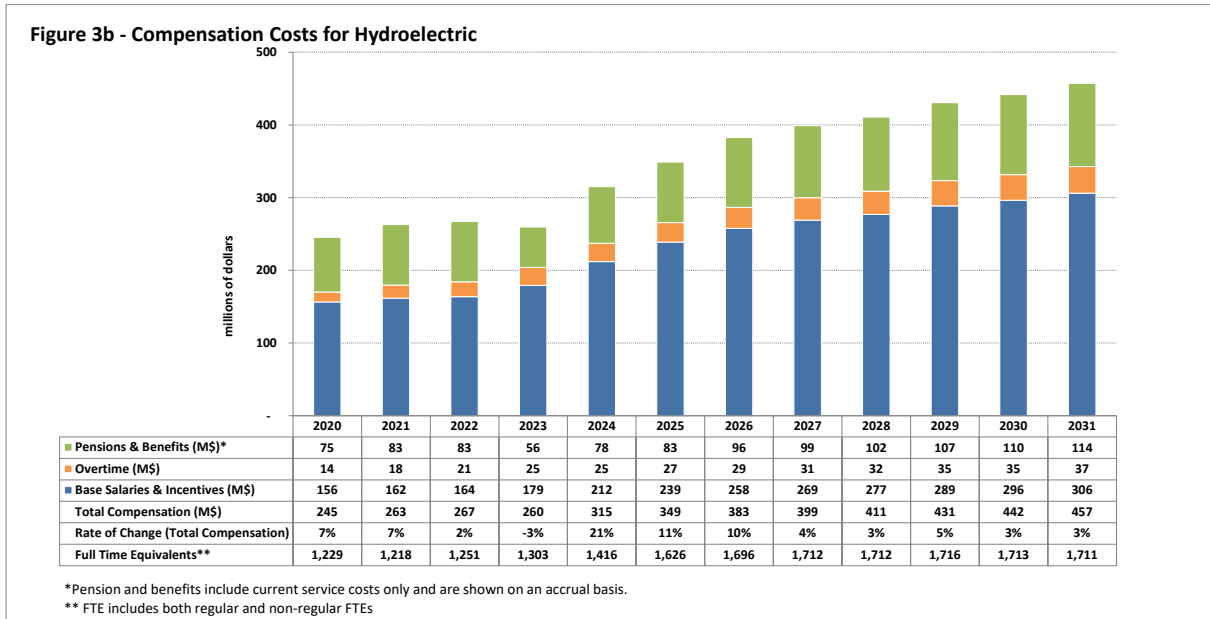
Figure 3a – Compensation Costs for Nuclear*



*Includes DNNP facilities

1

Figure 3b – Compensation Costs for Regulated Hydroelectric



2

3

4 **6.1 Staffing Levels**

5 Figure 4a shows the FTEs (2020-2024 actual and 2025-2031 planned) for OPG's nuclear
 6 facilities and the DNNP facilities (including allocation of corporate Support Services), broken
 7 down by management (managers/supervisors vs individual contributors), Society-represented,
 8 and PWU-represented regular and non-regular employees, Term Employees, ETEs, and
 9 EPSCA Trades.

10

11 At the time of EB-2020-0290, OPG was expecting a declining trend in the FTEs for the nuclear
 12 facilities due to the anticipated Pickering closure, taking into account the various workforce
 13 strategies discussed in Section 4.0. During the period from 2022-2024, the Company shifted
 14 from planning for Pickering shutdown by the end of 2025 to enabling extended operations to
 15 September 2026 and assessing the feasibility and beginning to plan for refurbishing Pickering
 16 Units 5-8 thereafter. This shift required a responsive workforce plan to meet these changing
 17 business needs, while anticipating an increased risk of attrition over the remaining life of the
 18 station.

1 As of 2022, Nuclear base OM&A full-time equivalents (“FTEs”) were beginning to attrite to
2 levels lower than those planned in EB-2020-0290, which if left unaddressed, would lead to
3 inadequate staffing levels to meet operational needs. With the implementation of a responsive
4 workforce plan, by 2023, FTE levels aligned more closely to the original planned resourcing
5 requirements established in EB-2020-0290. By 2024, FTE levels increased to enable the
6 extension of Pickering operations to 2026, to maintain site continuity through the Pickering
7 refurbishment outage, and to meet ongoing operational and regulatory requirements.
8 Excluding the increase in the FTEs as a result of the repatriation of New Horizon Systems
9 Solutions employees in 2022 (further discussed in Ex. F3-1-1), the FTEs increased by 6% in
10 2023 and 5% in 2024.

11

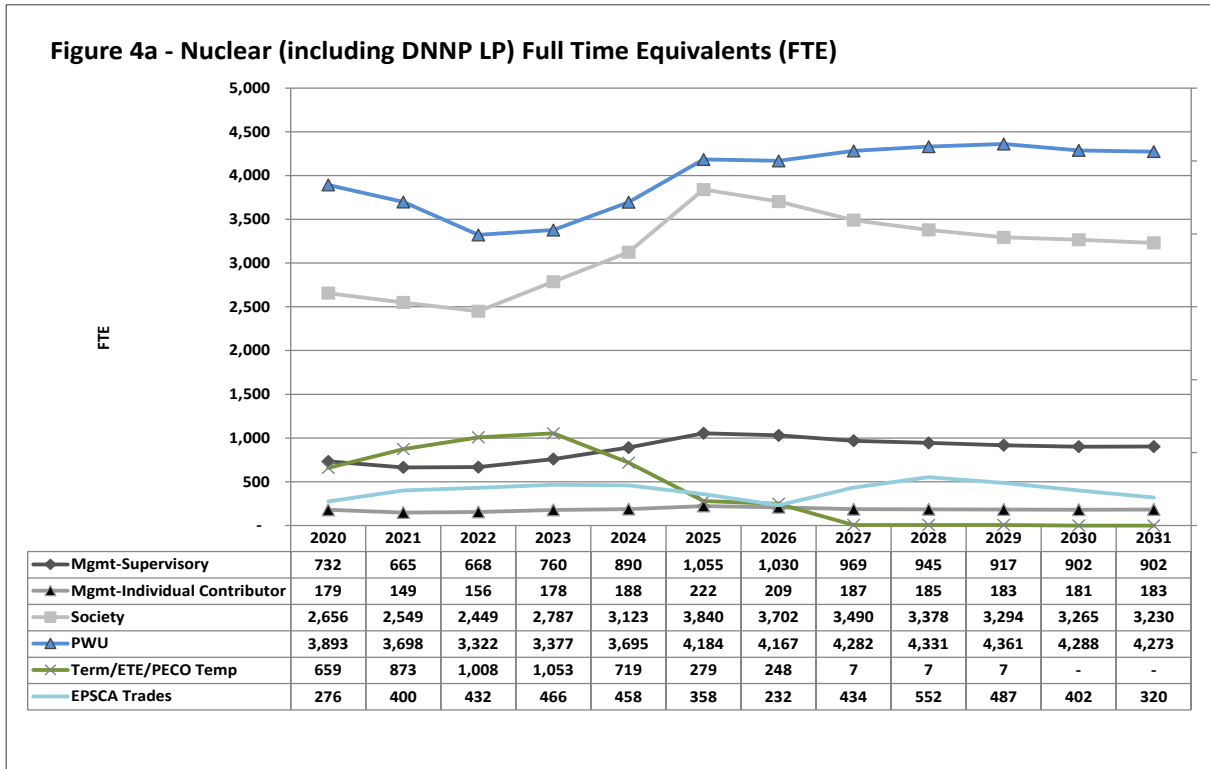
12 With the PRP progressing into the definition phase in 2025 while the Pickering station is
13 operating, the FTEs for the nuclear facilities are forecasted to temporarily increase by a further
14 10%. The forecasted FTEs then decline by 7% over 2026-2029 with the completion of the DRP
15 in 2026 and the completion of preparations for the safe storage of Pickering Units 1 and 4 in
16 2028, and are largely stable thereafter. The execution phase of the PRP will not result in a
17 material change in the FTEs, as necessary resources will be redeployed from Pickering station
18 operations to support the project during the four-unit refurbishment window (see Section 5.0).

19

20 The decrease in Term Employee FTEs over the 2023-2025 period is largely offset by an
21 increase in PWU-represented regular FTEs, reflecting OPG’s decision to hire a number of
22 Term Employees into regular positions (see Section 5.1.1). The increase in Society-
23 represented and management regular FTEs is primarily driven by the ramp up in work for the
24 PRP and the DNNP, as discussed above, the repatriation of New Horizons System Solutions
25 IT resources to OPG (about 250 employees) and an increase in Pickering staffing to restore
26 capacity to enable continued operations and planning for the PRP.

1

Figure 4a – Nuclear Full Time Equivalentents



2

3

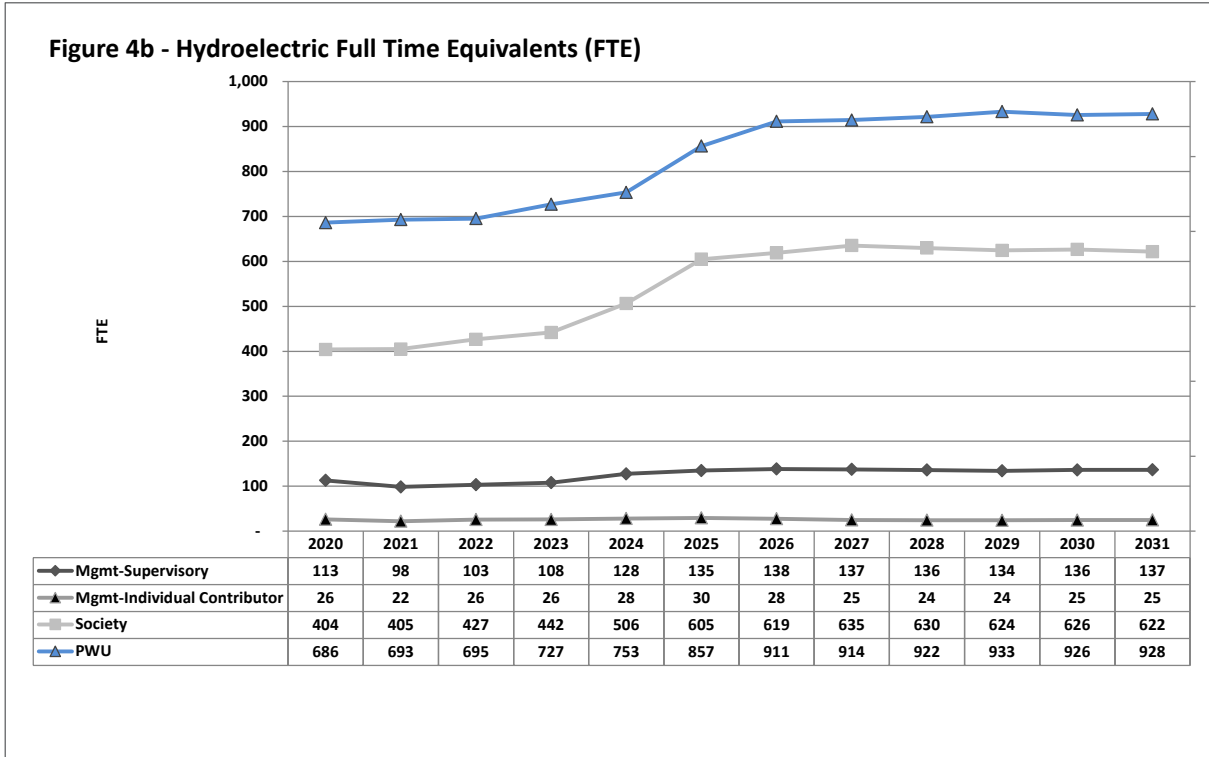
4 Figure 4b shows the FTEs (2020-2024 actual and 2025-2031 planned) for the regulated
 5 hydroelectric facilities (including allocation of corporate Support Services), broken down by
 6 management (managers/supervisors vs individual contributors), Society represented, and
 7 PWU-represented regular and non-regular employees for regulated hydroelectric facilities
 8 (including allocation of Corporate Support Services).

9

10 The FTEs for the regulated hydroelectric facilities are largely stable over the 2020-2023 period,
 11 before increasing by 9% in 2024 and 15% in 2025, mainly to support major capital projects
 12 including the turbine-generator refurbishment program taking place across the fleet, as
 13 described in Ex. F1-1-1. The FTEs are generally stable over the IR term.

1

Figure 4b – Regulated Hydroelectric Full Time Equivalents



2

3

4 **6.2 Base Salaries and Incentives**

5 Base salaries and incentives represent about 69% of OPG's total compensation costs related
 6 to the regulated facilities over the IR term.

7

8 Base salaries and incentives continue to be impacted by certain legislative and regulatory
 9 constraints. The following legislative and regulatory restrictions are applicable to OPG's
 10 compensation or have been in effect since EB-2020-0290:

11

- 12 a) On August 13, 2018, the Ontario government implemented the Compensation Framework
 13 Regulation ("O. Reg. 406/18") issued under the *Broader Public Sector Executive*
 14 *Compensation Act, 2014*, which imposed a cap on base salaries and pay at risk envelopes,
 15 at the prior pay year. As a result of this regulation, OPG has not provided base salary
 16 increases greater than prescribed legislative caps to its executive management employees

1 (generally Vice President level and above) since the implementation of O. Reg. 406/18,
2 and pay for performance envelopes have been maintained based on 2017 amounts which
3 were paid in 2018.

4 b) *Protecting a Sustainable Public Sector for Future Generations Act, 2019* (“Bill 124”), which
5 came into effect on November 8, 2019, previously limited salary and total compensation
6 increases to a maximum of 1% annually for the duration of the applicable three-year
7 moderation period. On November 29, 2022, the Ontario Superior Court (“Superior Court”)
8 concluded that Bill 124 was unconstitutional and of no force and effect. On February 12,
9 2024, the Ontario Court of Appeal upheld, in part, the decision of the Superior Court. On
10 February 23, 2024, the Ontario government formally repealed Bill 124 in its entirety.¹¹

11 c) On August 31, 2021, the *Federal Pay Equity Act* came into force with the purpose of
12 achieving pay equity for employees in jobs that are commonly held by women. OPG has
13 established a Pay Equity Committee with representation across employee groups, in
14 compliance with the requirements of the act. Compensation data collected through this
15 process will be reviewed independently to facilitate comparisons between predominantly
16 female and male job classes performing work of equal value and determine the need for
17 any remediation.

18
19 The details of salaries and incentives are discussed below.

20 21 6.2.1 Unionized Salaries

22 OPG’s compensation costs are largely a function of the collective agreements that cover
23 approximately 87% of the company’s employees. OPG is legally bound by its collective
24 agreements, which establish salary rates and govern salary increases, any cost-of-living
25 adjustments, and progressions through established salary ranges, among other elements of
26 compensation.

¹¹ On March 1, 2023 OPG applied to the OEB for an accounting order proposing a new variance account be approved to record the impact of the overturning of Bill 124 on its nuclear revenue requirement, effective March 1, 2023 and until the effective date of the OEB’s next nuclear payment amounts order. On June 27, 2023, the OEB issued its Decision and Order denying OPG’s accounting order application.

1 Over the last five years, the backdrop of extraordinary inflation and broader labour unrest,
2 combined with the repeal of Bill 124, contributed to significantly more challenging collective
3 bargaining and negotiations. While inflation has begun to abate, it has contributed to higher-
4 than-normal wage increases starting in 2021, as shown in Figure 5. Notwithstanding the
5 challenging landscape, OPG was able to secure the continued suspension of the cost of living
6 allowance/adjustment¹² provisions of the collective agreements with both unions during this
7 period, in addition to securing outcomes related to the streamlined downsizing provisions,
8 continued use of Term Employees and ETEs, broadened job classifications for the DNNP
9 SMRs, more flexible redeployment provisions, and permanent purchased services agreement
10 provisions, as discussed above.

11
12 In EB-2020-0290, OPG projected wage increases for unionized employees to be restricted to
13 an annual increase of 1% for the respective three-year moderation period in accordance with
14 Bill 124. The moderation period began on April 1, 2021 for OPG's PWU bargaining unit and
15 January 1, 2022 for OPG's Society bargaining unit, tied to the expiration of the then-current
16 collective agreements. As a result of Bill 124 being overturned and subsequently repealed, the
17 following wage adjustments occurred to reverse the previous limit on the wage increases in
18 respect of the moderation periods served:¹³

- 19 • On May 8, 2023, an arbitrator awarded Society-represented employees additional wage
20 increases for 2022 (for a total increase of 4%) and 2023 (for a total increase of 3.25%)
21 pursuant to an existing provision in that collective agreement, also awarded by an
22 arbitrator, that provided for a reopening of the wage increases if Bill 124 became of no
23 force and effect; and
- 24 • During the 2024 round of bargaining, OPG and the PWU negotiated an adjustment
25 representing an additional 2.5% wage increase, compounded from 2021, effective April 1,

¹² A Cost-of-Living Allowance (PWU) or a Cost-of-Living Adjustment (Society) are clauses in the collective agreements which may result in an incremental wage adjustment should the negotiated wage increase for a given year fall below that of inflation, as measured by the Consumer Price Index.

¹³ This evidence presents OPG's wage adjustments arising as a result of the overturning of Bill 124 in the applicable retrospective years, for comparative purposes. The actual cost impact of the adjustments was incurred in the years they were awarded or negotiated; the cost information in the Application is presented on this basis.

2024 on account for the period from April 1, 2021-March 31, 2022 (for a total increase of 3.5%).

The bargaining process for the 2023-2024 collective agreement with the PWU concluded subsequent to the overturning of Bill 124 and therefore was not subject to a legislated wage increase restriction at a time of significant market pressure on negotiated wages.

Chart 1 below shows OPG's actual yearly wage increases for the 2021-2026 collective agreement period(s) compared to those assumed in EB-2020-0290, for each of PWU and Society-represented employees, as well Ontario's general inflation rate. The actual figures are inclusive of the wage adjustments resulting from the overturning of Bill 124 and, in total, approximate overall inflation over the period.

Chart 1 - 2021-2026 Collective Agreement Wage Increases¹⁴

	Actual		EB-2020-2090		CPI (Ontario)
	PWU	Society	PWU	Society	
2021	3.50% ¹⁵	2.80%	1.00%	2.80%	3.5%
2022	4.75%	4.00%	1.00%	1.00%	6.8%
2023	3.50%	3.25%	1.00%	1.00%	3.8%
2024	3.75%	4.75% ¹⁶	2.00%	1.00%	2.4%
2025	3.75%	3.25%	2.00%	2.00%	1.9%
2026	2.50%	2.00%	2.00% ¹⁷	2.00%	2.0%
Simple Total	21.75%	20.05%	9.00%	9.80%	20.40%

¹⁴ For PWU-represented employees, increases are effective April 1 of each year shown. For Society-represented employees, increases are effective January 1.

¹⁵ Includes a 2.5% compounded wage increase compounded from 2021, effective January 1, 2024.

¹⁶ Includes a 1% one-time adjustment to salary schedules awarded by the arbitrator contemporaneous with the general wage increase.

¹⁷ The actual 2026 wage increase for Society-represented employees is illustratively shown at the EB-2020-0290 forecast value, as the actual value is not yet known due to an ongoing arbitration process.

1 Both the 2022-2024 and the 2024-2027 collective agreements were reached with the PWU
2 following extensive negotiations and a failed ratification by employees in the most recent round
3 of collective bargaining. The 2022-2024 agreement was reached after the PWU members
4 voted in favour of a strike, which was averted as a second tentative agreement was
5 subsequently ratified. The 2024-2027 agreement was reached after the PWU requested a
6 conciliator to assist with negotiations.

7
8 The two recent collective agreements with the Society, the first for 2022-2023 and the second
9 for 2024-2025, were awarded through interest arbitration pursuant to a binding dispute
10 resolution process in place between the parties.¹⁸

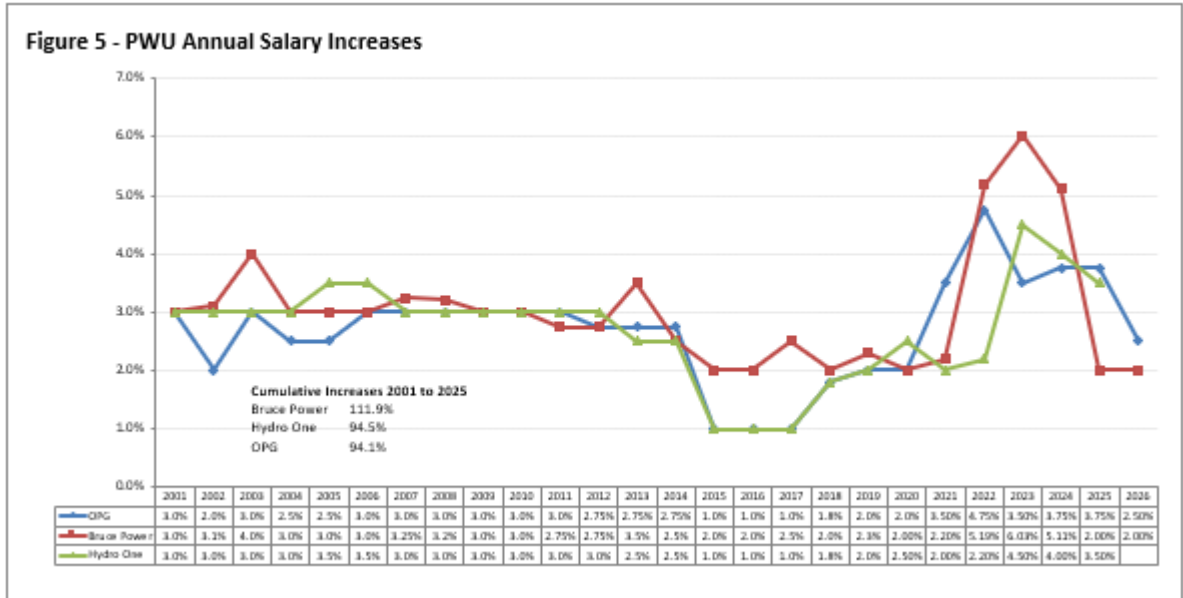
11
12 Taking into account the recent developments, historical union salary increases for OPG and
13 other large companies within the electricity sector in Ontario are shown in Figures 5-8 below.¹⁹
14 This information shows that, for both PWU and Society-represented employees, OPG's
15 cumulative salary increases continue to fall below those of Bruce Power, and are comparable
16 to those at Hydro One. It also demonstrates that other large utilities have been similarly
17 impacted by the higher wage environment over the last several years.

¹⁸ During interest arbitration, a neutral third-party hears submissions and evidence from the union and the employer on matters that the parties have not been able to settle in their negotiations and issues a decision. The decision of an arbitrator or arbitration board is final and binding.

¹⁹ Figures reflect annual increases per negotiated collective agreements. Where there are two economic increases in one calendar year, they have been added to provide an overall total for the year.

1

Figure 5 – PWU Annual Salary Increases

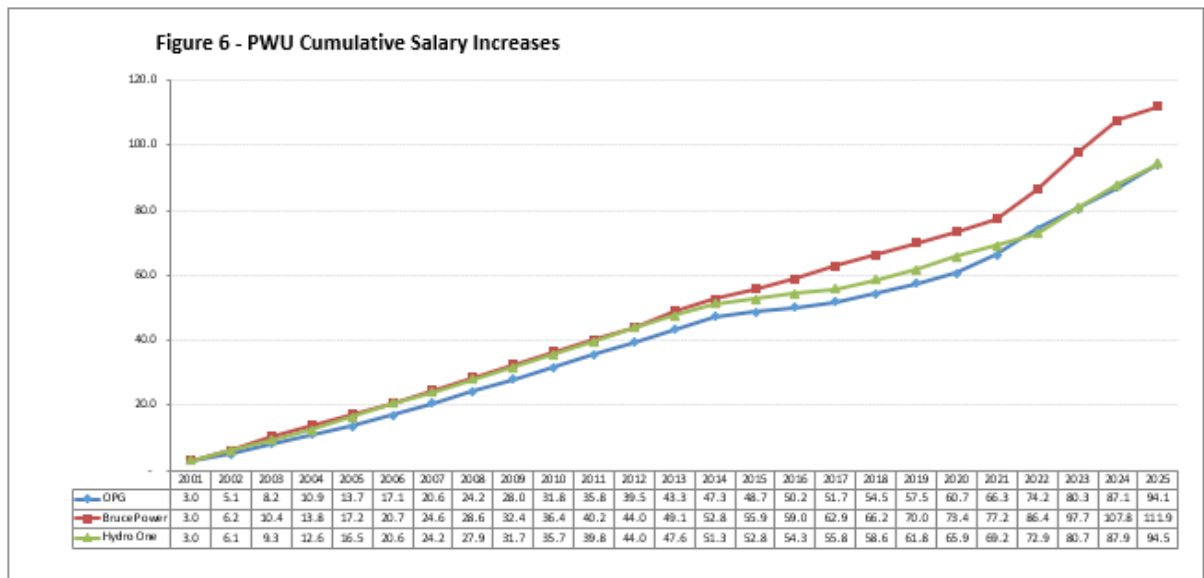


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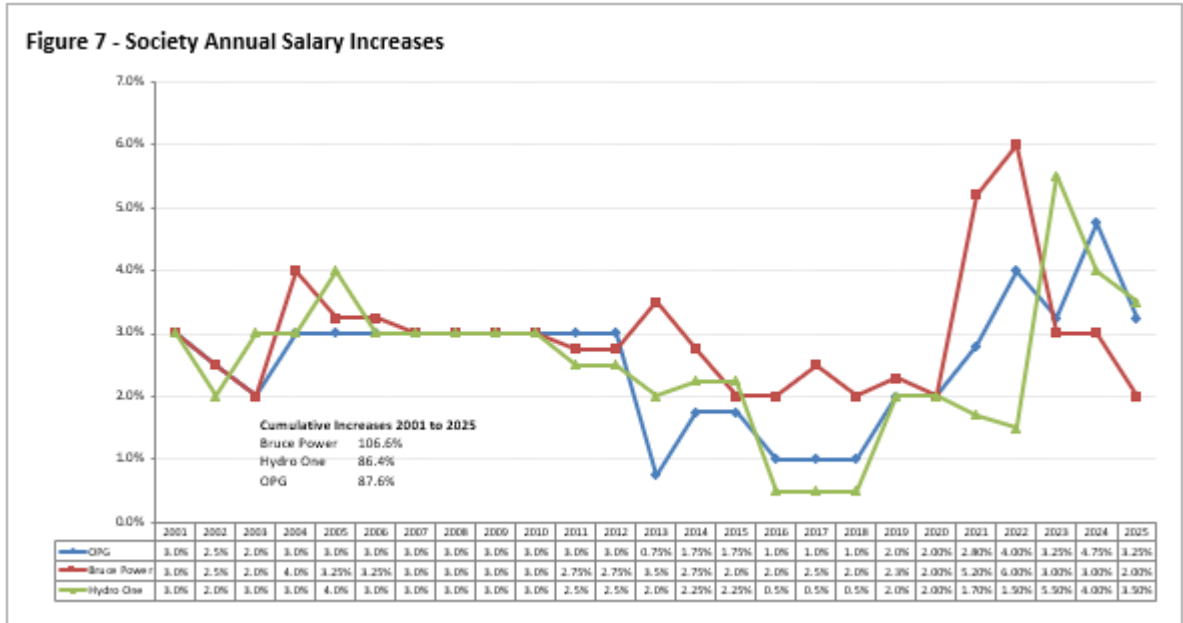
Figure 6 – PWU Cumulative Salary Increases



5

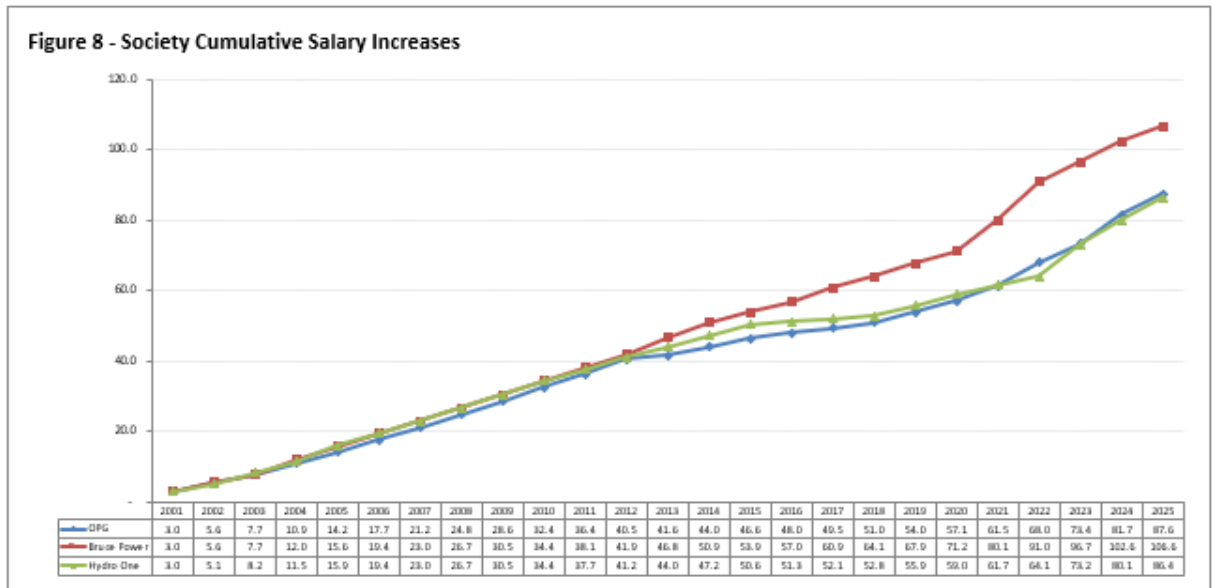
1

Figure 7 – Society Annual Salary Increases



2
3
4

Figure 8 – Society Cumulative Salary Increases



5

1 6.2.2 Management Salaries

2 As of December 31, 2024, management represented 13% (~1,340) of OPG employees whose
3 salaries are not prescribed by collective agreements, and whose base salary ranges and pay
4 for performance programs are approved by OPG's Board of Directors. Within OPG's
5 management group, 16% of employees are individual contributors while the remaining 84%
6 are supervisors and managers.

7
8 OPG's ability to successfully deliver on its mandate will depend heavily on the attraction and
9 retention of management talent in a significantly competitive labour market. The demand for
10 skilled leadership talent in the energy sector remains high, posing ongoing risks to OPG's
11 ability to retain and attract talent into management positions. The specialized skillsets required
12 within the nuclear sector and geographical dispersion of OPG's hydroelectric assets further
13 complicate recruitment efforts, posing a risk of leadership availability in critical operational and
14 project areas. In particular, the number of experienced nuclear leaders available in the market
15 is very limited. The nuclear operations industry is a niche market in Canada with similar roles
16 existing only at Bruce Power and, at a smaller scale, at New Brunswick Power. It takes an
17 average of 20 years to develop a senior Nuclear Executive due to the extensive training and
18 experience required. OPG must continue to focus on building its own talent by hiring more
19 junior employees and developing them internally in order to mitigate these risks.

20
21 Increasingly and in large part due to the increased demand for specialized skills, OPG
22 competes for management talent with utilities across Canada, including primarily private
23 companies and several large US utilities for specific nuclear skillsets, the majority of whom are
24 not subject to legislative restrictions to the same extent as OPG. As further discussed in
25 Section 8.0 below, OPG's management compensation continues to benchmark below the
26 target market range. Underscoring this competitive dynamic, as of the end of 2024, attrition
27 among leaders at the director level was higher than benchmark,²⁰ exceeding historical levels.
28 Additionally, although OPG has a robust succession planning program, by 2031, approximately

²⁰ Conference Board of Canada's *HR Metrics Benchmarking 2023: Year in Review* report indicates that voluntary attrition rates among Management and Executives was 5.9% and 1.1% respectively. In 2024, OPG's voluntary attrition for Directors and Executives was 6.5% and 2.6% respectively.

1 30% of OPG's executive and 15% of senior management employees will be eligible to retire.
2 OPG directors and managers play a key role in achieving the company's operations, project
3 and general business objectives and comprise the pool of succession candidates for executive
4 roles.

5
6 In response to these pressures, OPG has implemented both non-compensation and
7 compensation initiatives aimed at maintaining a competitive market position for management
8 roles, recruiting and retaining talent, and encouraging union represented employees to
9 transition into management roles, including:

- 10 1. Increased focus on training, career development, and succession planning to empower
11 management employees and provide a roadmap for their professional growth.
- 12 2. Emphasis on a values-based culture centered on safety, integrity, excellence, inclusion
13 and innovation, aimed at enhancing engagement and strengthening work environment.
- 14 3. Formal and day-to-day employee recognition programs and tools, including a digital
15 platform and enhanced leadership focus on recognition.
- 16 4. Formal commitments to societal imperatives through development and commitment to
17 actions such as the Reconciliation Action Plan.
- 18 5. Well-being and mental health support through benefit offerings and resources.
- 19 6. Salary adjustments through Board of Directors' approval, performance-based merit
20 increases.
- 21 7. Board of Directors' approved salary band adjustments to more closely align OPG's
22 midpoint salaries with its peers, with the aim of gradually closing the gap to the 50th
23 percentile.

24 25 6.2.3 Management Stakeholder Return Program

26 The Stakeholder Return Program ("SRP") is a short-term (i.e., single year) pay for performance
27 incentive plan for eligible management employees, intended to deliver a portion of total
28 compensation on a pay for performance basis. The goal of the program is to motivate and
29 reward employee performance that promotes successful business outcomes. Assessment of
30 performance is based on individual and corporate objectives set for the applicable program
31 year.

1 Since 2021, OPG has used a financial results model for deriving the SRP amounts based on
2 a percentage applied to forecast corporate earnings before tax. The setting of this percentage
3 for a given year takes into consideration the underlying business objectives for that year, is
4 limited to a range based on practices among industry peers,²¹ and contemplates any other
5 established limits, including legislative constraints discussed above. This amount is then
6 multiplied by OPG's corporate score (assumed at target or 1.0 in the forecast period) and
7 further adjusted to account for the distribution of individual performance scores. A limited
8 amount may be added, at the discretion of the CEO, to recognize specific performance aligned
9 with organizational business imperatives. The percentage to be applied to earnings before tax,
10 the corporate score results and the incentive payouts are subject to OPG's Board of Directors'
11 approval. Forecast performance incentives costs under the SRP for every year within the IR
12 term are estimated based on projected financial results, using the above principles.

13 As in OPG's previous proceedings, the costs of these incentives are shown separately as a
14 centrally held cost in Ex. F4-4-1, Tables 1 and 3, and are included in Attachment 1.

16 **6.3 Pension and Benefits**

17 Pension and benefits represent approximately 24% of the regulated compensation costs
18 (including the DNNP facilities) over the IR term and include current employee benefits and
19 current service costs for pension and other post-employment benefits ("OPEB"). Pension and
20 benefit plan provisions for represented employees are established in collective bargaining,
21 while the pension and benefits offered to management employees are determined by OPG's
22 Board of Directors.

24 **6.3.1 Current Employee Benefits**

25 OPG's current employee benefits include health, dental and group life insurance benefits for
26 employees while on payroll, as well as statutory requirements such as the Employer Health
27 Tax, Employment Insurance and Workers Compensation. Health, dental and life insurance
28 benefits for PWU and Society-represented employees are negotiated during collective
29 bargaining, whereas OPG's Board of Directors approves the benefit programs for

²¹ Willis Towers Watson indicates that annual incentive pools range from 2-7% of EBT/EBITDA.

1 management. In addition to forming part of the compensation package, these programs
2 provide an opportunity to support a healthy, engaged and productive workforce.

3
4 OPG outsources claims administration to Sun Life Financial and has plan management and
5 adjudication mechanisms in place to control benefit costs. These include a frequency limit on
6 prescription drug refills, mandatory substitution of lowest cost equivalent drugs, maximizing
7 coordination of benefit opportunities, and a requirement for prior approval for certain drug and
8 treatment therapies.

9
10 6.3.2 Pension and Other Post Employment Benefits (“OPEB”)

11 Pension and OPEB costs include the employer paid costs of providing a pension along with
12 OPEB such as life insurance, and health and dental care for pensioners and their dependants,
13 as well as long-term disability benefits for current employees. Additional information on OPG’s
14 pension plan can be found in Ex. F4-3-2, including the most recently filed actuarial valuation
15 (Ex. F4-3-2, Attachment 4).

16
17 Pension and OPEB amounts are included in the proposed revenue requirements on an accrual
18 basis, consistent with the OEB’s policy on pension and OPEB cost recovery set out in the
19 OEB’s Report: *Regulatory Treatment of Pension and Other Post-employment Benefits Costs*
20 issued in EB-2015-0040. The amount and basis of forecast pension and OPEB accrual costs
21 for the IR term are described in Ex. F4-3-2.

22
23 Pension and OPEB accrual costs are actuarially determined to reflect the present value of the
24 benefits earned by today’s employees for service they have rendered in support of the
25 company’s operations. Generally, the variability in the pension and OPEB current service costs
26 over the 2020-2031 period is driven by changes in discount rates, changes in regular
27 headcount levels, increases in salaries translating into pension obligations, and the impact of
28 the passage of time on the present value calculations. For example, the decrease in pension
29 and OPEB current service costs in 2023 was due to higher discount rates reflecting the interest
30 rate environment at the time. Ex. F4-3-2, Section 4.3 discusses the major drivers of year-over-
31 year trends in the current service cost components of pension and OPEB costs.

1 OPG makes employer contributions to its registered pension plan (“RPP”) as required by the
2 *Pension Benefits Act* (Ontario) (“PBA”). The PBA permits the sponsor to reduce employer
3 contributions below the otherwise required levels when the plan is in a funding surplus position
4 (as defined under the PBA for this purpose and known as Available Actuarial Surplus (“AAS”))
5 and the associated requirements are met. OPG’s RPP has AAS. In March 2025, OPG’s Board
6 of Directors approved such a reduction in OPG’s contributions to match the level of employee
7 contributions over the 2025-2027 period, effective March 2025, subject to meeting the
8 legislative requirements. OPG has implemented the approved reduction in employer
9 contributions. Based on the January 1, 2025 actuarial valuation of the RPP and future
10 projections, the AAS is forecasted to continue throughout the IR term; accordingly, OPG’s
11 2025-2031 Business Plan and the Application assume that OPG’s employer contributions will
12 continue to match employee contributions over this period, subject to future approval by OPG’s
13 Board of Directors. Additional details are provided in Ex. F4-3-2, Section 5.0.

14
15 As discussed in Ex. H1-1-1, Section 5.12, OPG will continue to record interest, asymmetrically
16 in favour of ratepayers, on the difference between pension and OPEB accrual costs and actual
17 cash amounts over the IR term through the use of the Pension and OPEB Forecast Accrual
18 versus Actual Cash Differential Deferral Variance Account. As shown in Ex. F4-3-2, Charts 6
19 and 7, forecast pension and OPEB accrual costs attributed to OPG’s regulated facilities are
20 very close to the forecast cash amounts for the IR term, in aggregate. For the RPP, accrual
21 costs continue to be lower than the cash amounts, after taking into account the reduction in
22 employer contributions due to the availability of the AAS.

23 24 **7.0 Changes to Pension and Benefits**

25 Changes to employee contribution rates and pension plan design were negotiated with both
26 the PWU and the Society in 2015, as described below. As discussed in EB-2016-0152, a
27 broader approach to collective bargaining was taken in 2015, involving both Hydro One and
28 the Province, in recognition of the impact that unionization has on sector-wide compensation.
29 The resulting changes to contribution rates became effective during the 2015-2017 period, and
30 a number of pension reform measures aimed at reducing pension costs came into effect in
31 2025, as discussed in Sections 7.0.1 and 7.0.2 below. Additionally, since EB-2020-0290, OPG

1 has made changes to management group health benefits with the goal of better aligning to
2 those available to represented employees, in order to positively impact attraction and retention
3 to management positions. All of the above changes are reflected in the IR term cost forecasts
4 presented in the Application and included in the proposed revenue requirements.

5

6 7.0.1 Pension Reform Measures – Employee Contribution Increases and Employee /
7 Employer Contribution Ratio

8 Through negotiations with the unions in 2015, OPG was able to increase employee pension
9 contributions beginning April 1, 2015 for PWU-represented employees, and January 1, 2016
10 for Society-represented employees. Comparable changes were made to contributions for
11 management employees beginning January 1, 2016. In addition, the pension provision
12 changes that took effect in 2025 (discussed below) will now also work to decrease the overall
13 current service cost (also known as normal cost) and funding requirements, thereby
14 decreasing OPG's employer contributions. Figure 9 provides an overview of the changes in
15 employee contribution rates and the employee-to-employer contribution ratio, inclusive of the
16 impact of OPG's decision to reduce contributions as a result of the availability of the funding
17 surplus (discussed above) beginning in 2025. As OPG's RPP is a defined benefit, single
18 employer pension plan, the employer covers the residual balance of the total contribution
19 requirements after employee contributions.

1 **Figure 9 – Employee Contributions and Employee/Employer Contribution Ratio**

Figure 9 – Overview of Employee Contributions

Employee Pension Contributions ¹	above Earnings Limit)						Contribution Ratio (Employee/Employer)
	MG		PWU		Society		
2014	7	/	7	5	/	7	24% / 76%
2015	7	/	7	6	/	8	24% / 76%
2016	7.3	/	8.25	/	2	7	29% / 71%
2017	7.6	/	9.5	/	4.5	7.5	32% / 68%
2018	7.6	/	9.5	/	4.5	7.5	33% / 67%
2019	7.6	/	9.5	/	4.5	7.5	34% / 66%
2020	7.6	/	9.5	/	4.5	7.5	32% / 68%
2021	7.6	/	9.5	/	4.5	7.5	33% / 67%
2022	7.6	/	9.5	/	4.5	7.5	31% / 69%
2023	7.6	/	9.5	/	4.5	7.5	38% / 62%
2024	7.6	/	9.5	/	4.5	7.5	36% / 64%
2025 ²	7.6	/	9.5	/	4.5	7.5	47% / 53%
2026 ³	7.6	/	9.5	/	4.5	7.5	50% / 50%

¹Employee pension contributions are tiered for PWU and Management employees based on Canada Pension Plan Yearly Maximum Pensionable Earnings (YMPE) limit. Society-represented employees are not subject to tiered contributions. CRA will not allow individual member contributions to exceed the annual *Income Tax Act* dollar limit.

²Effective March 1, 2025, OPG elected to utilize the Available Actuarial Surplus to reduce employer contributions to match contributions remitted by employees. Projected Contribution Ratio at 47%/53%.

³Projected Contribution Ratio at 50%/50%

2
 3 As in EB-2020-0290, the contribution ratio shown above is calculated as the ratio between:
 4 (i) the current service cost funding contributions made by OPG to its RPP pursuant to actuarial
 5 valuations filed with the Financial Services Regulatory Authority in accordance with the PBA
 6 (as reduced by the utilization of AAS), and (ii) the total amount of contributions made by OPG's
 7 employees to the plan. Funding for special payments toward a pension plan deficit, if any,
 8 and OPEB payments are excluded from this calculation.²² This treatment is consistent with
 9 the approach outlined in the *Report on the Sustainability of Electricity Sector Pension Plans*
 10 (the "Leech Report").²³

11
 12 The negotiated increases to employee contributions from 2016 and the use of AAS to lower
 13 employer contributions beginning have helped OPG to achieve the target ratio of 50/50 of
 14 employee-to-employer contributions. As illustrated in Figure 9, the employee-to-employer
 15 contribution ratio has markedly shifted from 24:76 in 2014 to 50:50 in 2026. Given the AAS is

²² OPG has not made any such special payments toward a pension plan deficit since 2017.

²³ Leech Report, p. 2 (the term used is "ongoing contributions").

1 projected to continue throughout the IR term, OPG expects to continue to match the level of
2 contributions remitted by employees.

3
4 7.0.2 Pension Reform Measures – Earnings Basis for Pension and Retirement Eligibility for
5 an Undiscounted Pension

6 OPG negotiated changes in 2015 to the basis for determining pension benefits for represented
7 employees. Previously, the calculation basis was an employee's highest three consecutive
8 years of pensionable earnings. This was changed to the highest five consecutive years for
9 future service beginning March 31, 2025 for both PWU and Society represented employees.
10 This change applies to both current employees and new hires.

11
12 OPG also successfully negotiated with the unions a change in the retirement eligibility formula
13 in 2015. For service prior to March 31, 2025, PWU and Society-represented employees could
14 retire with an undiscounted pension when their age plus service equals 82; this is referred to
15 as the Rule of 82. For service after March 31, 2025, the eligibility for an undiscounted pension
16 changed to the Rule of 85. The retirement eligibility formula of age plus service was also
17 changed for management employees from Rule of 84 to Rule of 90, effective July 1, 2014 for
18 new management employees, and effective for future service beginning January 1, 2025 for
19 existing employees.

20
21 In exchange for the pension reforms negotiated in 2015, PWU and Society-represented
22 employees who were contributing to the pension plan on April 1, 2015 (PWU) and January 1,
23 2016 (Society) and had less than 35 years of pensionable service as of those dates were
24 granted Hydro One Limited shares awards at the start of the third year of the applicable
25 contract term (April 1, 2017 for PWU and January 1, 2018 for Society). Eligible employees
26 continue to receive shares annually for up to 15 years subject to certain conditions, which are
27 unchanged from prior payment amounts applications.²⁴ As of 2025, the number of employees
28 entitled to shares since the beginning of the program has decreased by about 40%. This
29 number is expected to decrease further until the program ends in 2032. As in EB-2020-0290,

²⁴ EB-2016-0152, Ex. F4-3-2, pp. 17-18.

1 the cost associated with the share performance plan over the IR term is less than the cost
2 savings from the pension reforms that apply to all employees (existing and new), and the
3 pension savings will continue to grow over time.²⁵

4 5 **7.0.3 Health Benefit Coverage Changes**

6 In 2018, OPG negotiated changes to the health benefit plan, with both the PWU and the
7 Society, to control benefit costs and has maintained these cost control measures through
8 subsequent rounds of collective bargaining. The changes included a cap on the frequency of
9 dispensing fees for maintenance level drugs and mandated the use of the lowest price
10 equivalent drug (generic or brand name). These measures were also implemented for
11 management employees. These changes were significant because prescription drugs account
12 for approximately 50% of OPG's health benefit spending. In exchange, OPG provided for
13 modest benefit improvements to both PWU and Society-represented employees. Certain
14 modest benefit improvements for both represented groups were also negotiated through
15 subsequent rounds of collective bargaining.

16 Since EB-2020-0290, OPG also updated health benefits coverage for management
17 employees. These enhancements have been aimed at promoting equity in benefits within the
18 entire management group and, with some exceptions, better aligning the coverage to those of
19 represented employees to promote equity in benefits and provide more comprehensive
20 support to management employees. Promoting equity in benefits helps the organization to
21 improve internal mobility from union-represented roles into management, strengthens
22 succession planning efforts and reinforces a commitment to internal talent development during
23 a period of increased demand for talent. The impact of these changes has been considered in
24 the WTW Report (Attachment 2, p. 18).

25 26 **7.1 Overtime**

27 Overtime is available to represented employees for work performed outside their normal
28 working hours. Management employees are not eligible to receive overtime payments.
29 Provisions relating to the payment of overtime are established through collective bargaining.

²⁵ The cost impact of the Hydro One share performance plan is included in total compensation cost presented in Attachment 1.

1 The control and approval of overtime hours worked rests with OPG.

2

3 Over the IR term, overtime costs account for about 7% on average of the total forecast
4 compensation costs for the regulated facilities, which is consistent with the EB-2020-0290
5 forecasts. Overtime rates are paid on a premium basis at a rate of two times the wage rate. As
6 set out in Attachment 2, OPG's overtime elements are generally aligned with the range in
7 energy sector market practice.²⁶

8

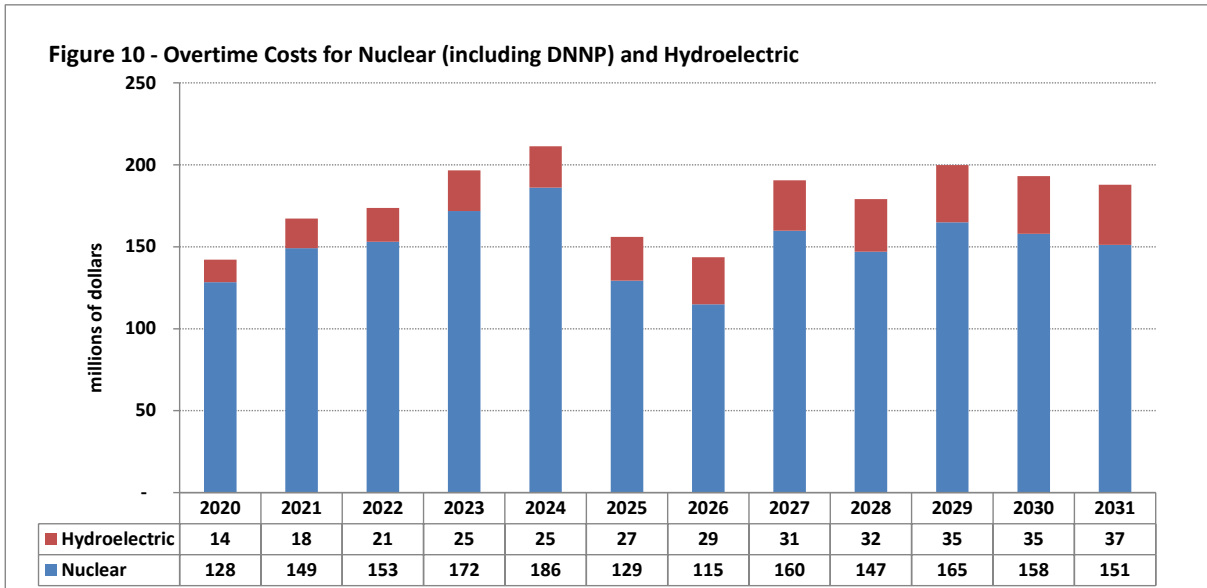
9 OPG uses overtime to meet peak work demands and as a cost-effective alternative to other
10 options for accomplishing work, while also ensuring crew coverage according to collective
11 agreement obligations. Overtime requirements fluctuate with key work programs and are
12 typically driven by planned outage cycles, plant refurbishments, additional effort required in
13 support of project activities and work required to maintain unit reliability. OPG's use of
14 incremental short-term labour resources for its regulated facilities, including overtime and non-
15 regular labour, is discussed in Ex. F2-2-1 and Ex. F1-2-1.

16 Overtime costs for OPG's regulated facilities are planned to be relatively stable during the IR
17 term, as shown in Figure 10 below. Annual overtime temporarily declines in 2025 and 2026
18 due to fewer planned outages across the nuclear stations, reduced support at Pickering, and
19 the conclusion of the DRP in 2026. From 2027-2031, the levels of overtime costs are primarily
20 driven by support of critical path for planned outages at Darlington, the PRP and hydroelectric
21 capital projects. See Attachment 1 for additional details.

²⁶ Attachment 2, p. 17.

1

Figure 10 – Overtime Costs for Nuclear* and Hydroelectric



2

3

*Includes DNNP LP

4

5 **8.0 COMPENSATION BENCHMARKING STUDY**

6 **8.1 Overview**

7

OPG seeks to manage its labour costs while ensuring its total compensation is positioned competitively relative to the external labour markets in which it competes to attract and retain employees.

9

10

Since OPG’s last review of its compensation philosophy in 2020, the energy sector landscape has evolved, with OPG playing a critical role in helping Ontario meet its growing energy demands. To address these changes, OPG engaged Southlea to conduct an independent study to review its compensation philosophy to determine whether its compensation strategy aligns with the company’s evolving role in meeting the province’s energy demand and enables OPG to prepare the organization to successfully deliver on its business objectives (Attachment 2). Based on Southlea’s recommendations, OPG’s Board of Directors approved a revision to OPG’s compensation philosophy to include changes to guiding principles, and a refinement in the existing peer group selection criteria and associated weighting. These updates allow OPG to more accurately assess its market competitiveness through more relevant and robust

20

1 comparisons to the market in which it competes for talent. This is essential to attracting and
2 retaining employees for the long term, particularly for the operations and project roles that
3 demand specialized skills and require substantial time to achieve full proficiency.

4
5 As noted above, OPG retained WTW to undertake compensation benchmarking (Attachment
6 3). WTW conducted the benchmarking, taking into account the updates in OPG's
7 compensation philosophy. The results of the study indicate that OPG's Total Direct
8 Compensation ("TDC") and Total Remuneration ("TR") are within target market range of
9 market peers, defined in the WTW Report as +/- 10% of the midpoint of the peers. The
10 benchmarking was conducted using the same two-segment approach as in EB-2020-0290, in
11 compliance with the OEB-approved settlement proposal in EB-2020-0290. An overview of the
12 approach taken, comparator groups used, and summarized results is provided below. The
13 assessment by WTW included OPG's Base Salaries, TDC and TR, including the value of
14 Pension and Benefits, as defined below.

15
16 OPG's target market positioning for purposes of talent attraction and retention continues to be
17 the 50th percentile for positions in the Standard segment, and 75th percentile for the Nuclear
18 Authorized segment.²⁷ Based on the OEB's Decision and Order in EB-2016-0152,²⁸ and as
19 provided in EB-2020-0290,²⁹ the WTW Report also shows all Nuclear Authorized positions
20 benchmarked to the 50th percentile. This is the basis for the benchmarking results summarized
21 below.

22 23 **8.2 Benchmarking Approach and Results**

24 This section provides an overview of WTW's benchmarking approach and results. The WTW
25 Report benchmarked approximately 94% of OPG positions and indicates that OPG's TDC and

²⁷ Nuclear Authorized positions in senior executive positions (Bands A-D) continue to be benchmarked at the 50th percentile. This is a correction from EB-2020-0290, Ex. F4-3-1, where it was stated that Bands A-E Nuclear Authorized are benchmarked at 50th percentile. For clarity, Band E (Vice President) and below are benchmarked at the 75th percentile.

²⁸ EB-2016-0152 Decision and Order, December 28, 2027, p. 80.

²⁹ EB-2020-0290, Ex. F4-3-1, Section 6.

1 TR are 7.2% and 8.9% above the midpoint of market peers, respectively, which are within
2 target market range as defined in the WTW Report (i.e. within +/- 10% of the midpoint).

3
4 In assessing OPG's compensation relative to external labour markets, as in EB-2020-0290,
5 OPG's positions were categorized into the following segments: Nuclear Authorized and
6 Standard. OPG's compensation in each of these segments was compared to other companies
7 that employ similar positions. This assessment included reviewing OPG's Base Salaries, TDC,
8 Pensions and Benefits, as well as TR. TDC reflects the cash compensation paid to employees,
9 excluding overtime. It includes base salary and pay-at-risk incentives. TR reflects TDC paid to
10 employees, and for eligible employees, Pension & Benefits and paid time off.

11
12 The benchmarking analysis includes Term Employees as part of the PWU incumbents. As
13 discussed above, Term Employees were hired to perform work of regular employees in
14 anticipation of the cessation of commercial operation at Pickering and do not participate in
15 OPG's pension and benefit plans.

16
17 As noted earlier, a Hydro One share performance plan was negotiated as part of the 2015
18 collective bargaining process, in exchange for changes to pension plan provisions. In its
19 Decision and Order in EB-2016-0152, the OEB indicated that share performance plan should
20 be included in the compensation benchmarked by WTW as the plan forms part of the
21 compensation received by employees.³⁰ As in EB-2020-0290, the WTW Report separately
22 presents OPG incumbent information including the impact of the share performance plan.

23
24 OPG continues to believe that the results excluding the impact of share performance plan are
25 more representative of its positioning against the market, as the share performance plan is
26 only available for a defined group of eligible employees, and all new employees are not eligible.
27 As noted, as of 2025, the total number of eligible employees have declined by 40% since the
28 start of the program and are expected to continue to decline through to the end of the IR term.

³⁰ EB-2016-0152 Decision and Order, December 28, 2017, p. 81.

1 In addition, as noted at page 15 of the WTW Report, annual share grants similar to OPG's,
2 while relatively uncommon, are included in TDC, but other types of lump sum payments are
3 not, as WTW does not routinely include this information in its compensation database. Without
4 directly inquiring with each comparator company, it is not possible for WTW to determine which
5 companies have provided similar lump sum payments (whether cash or shares) or the amount
6 of such payments. As such, including the share performance plan grant for OPG, without also
7 including information on lump sum payments by comparators, potentially overstates OPG's
8 TDC relative to the market. On this basis, the analysis below refers to the benchmarking results
9 excluding the share performance plan grants.

10
11 The Nuclear Authorized segment captures only those positions that require the incumbent to
12 be, or have been, licensed by federal regulators, and continues to represent a very small
13 portion of OPG's employee population (about 3%). All other positions fall under the Standard
14 segment.

15
16 In determining the appropriate comparator group or companies, WTW continued to focus on
17 the following types of organizations as the main selection criteria of OPG's peer comparators:

- 18 a) organizations from which OPG recruits;
- 19 b) organizations to which OPG loses staff;
- 20 c) organizations which operate in the same or similar industry sectors;
- 21 d) organizations that reflect the complexity and size of OPG;
- 22 e) organizations with similar geographic scope; and
- 23 f) organizations with both public and private ownership structure.

24
25 Taking into account the updated compensation philosophy, WTW updated the benchmarking
26 methodology to align with market practices. Consistent with the approval by OPG's Board of
27 Directors and with practices of other regulated companies, and consistent with the
28 benchmarking of the Utility and Nuclear Authorized segments in EB-2016-0152,³¹ the
29 benchmarking methodology utilizes an unweighted, single peer group that more accurately

³¹ EB-2016-0152, Ex. F3-1-4, Section 5 and Attachment 2

1 reflects the talent market for each role, no longer utilizing a forced 50/50 weighting between
2 public and private peers to roles below the executive level.

3
4 The following hypothetical example illustrates the difference between the two approaches. The
5 market data for an Engineering role includes matches from 50 organizations: five from the
6 public sector and 45 from the private sector. Using a forced weighting methodology, equal
7 weighting is assigned to both public and private sectors. This means that even though there
8 are only five public sector companies matches, they would represent 50% of the market data,
9 while the 45 private sector companies would make up the remaining 50%. In contrast, an
10 unweighted, single peer group approach assigns equal weighting to each organization,
11 regardless of sector, resulting in the five public sector companies making up 10% of the data
12 and remaining 90% of data reflecting the proportionate number of matches in the private sector
13 companies. This approach provides more robust benchmarking data that more accurately
14 reflects the market compensation for each role.

15
16 The shift to an unweighted, single peer group also provides a better representation of where
17 talent is available for OPG to source (and conversely where talent is more likely lost).
18 Specifically, for jobs that are more common in the public sector, the market data will primarily
19 reflect the public sector, while for roles more prevalent in the private sector, the data will
20 primarily reflect the private sector. This approach also results in more robust market data for
21 benchmarking, as evidenced by a higher percentage of positions matched to the market (94%
22 versus 84% in EB-2020-0290).³² As a measure of ongoing restraint regarding executive
23 compensation, OPG will continue to apply the 50/50 public sector/private sector forced
24 weighting to executive roles.

³²Under the previous 50/50 weighted approach, as shown in EB-2020-0290, benchmarks required sufficient representation from both public and private sectors to be included, limiting job match coverage. For example, a job with insufficient (less than five companies) or no matches in one sector could not be included in the benchmarking as the result could not be weighted.

1 Figures 11 and 12 depict the results of the compensation benchmarking conducted by WTW.
 2 These results are shown for TDC and TR by applicable segment and representation. The
 3 benchmarking was conducted based on 2024 employee and compensation data.

4
 5

Figure 11 – Total Direct Compensation

	OPG	Standard	Nuclear Authorized
	2024	2024	2024
PWU	▲ 13.3%	▲ 12.1%	▲ 30.9%
Society	▲ 13.8%	▲ 15.7%	■ -19.0%
MG	■ -13.6%	■ -12.0%	■ -26.0%
OPG	● 7.2%		

6
 7

Legend
 ■ Below Market
 ● At Market (+/- 10%)
 ▲ Above Market

8

1

Figure 12 - Total Remuneration

	OPG	Standard	Nuclear Authorized
	2024	2024	2024
PWU	▲ 12.2%	▲ 10.9%	▲ 33.2%
Society	▲ 19.2%	▲ 21.1%	■ -15.2%
MG	■ -13.8%	■ -12.4%	■ -26.2%
OPG	● 8.9%		

2

Legend
 ■ Below Market
 ● At Market (+/- 10%)
 ▲ Above Market

3

4

5 Compared to overall benchmarking results in EB-2020-0290, OPG's overall TR has increased
 6 slightly from 8.6%³³ above peer median. On a TR basis, the Society group is further from peer
 7 median, the PWU group has remained about the same and Management has moved further
 8 below the median. The overall benchmarking results vary as follows by representation and
 9 between segments for each of TDC and TR:

10

- 11 a) PWU-represented employees' TDC and TR, in the Standard segment, benchmark
 12 above target market range. PWU-represented employees' TDC and TR, in the Nuclear
 13 Authorized segment, benchmark above target market range.

³³ For a consistent basis of comparison and as explained on pp. 14-17 in the WTW Report, 2019 results were recalculated to include the remittances paid by OPG to the union on behalf of PWU Term Employees for union-administered benefit programs as base salary.

1 b) Society-represented employees' TDC and TR benchmark above target market range
2 for the Standard segment. Society-represented employees' TDC and TR benchmark
3 below target market range for the Nuclear Authorized segment.

4 c) Management's TDC and TR in the Standard segment benchmark below the target
5 market range. Management's TDC and TR benchmark below target market range for
6 the Nuclear Authorized segment.

7
8 In addition to the benchmarking based on April 2024 data, OPG requested WTW to complete
9 a comparative analysis to illustrate the impact of certain discrete changes in OPG's
10 compensation programs and employee type composition since that time. Specifically, this
11 comparative analysis included the following three items, holding constant all other inputs and
12 variables into the benchmarking:

- 13 • A reduction of the Term Employee population of approximately 60% compared to the
14 number of Term Employees that were in role as of April 1, 2024, as discussed in Section
15 5.1.1 above;
- 16 • The implementation of pension reform measures for PWU and Society-represented
17 employees, discussed in Section 7.0.1 above;³⁴ and
- 18 • Health benefit changes for management employees discussed in Section 7.0. above.

19
20 With these changes, OPG's TDC and TR are 6.2% and 8.3% above the midpoint of market
21 peers, respectively, which remains within the target market range and moves OPG's
22 benchmarking position closer to P50. The following outline the differences compared to the
23 main benchmarking results:

- 24 • 0.6% decrease in overall TR positioning (8.9% to 8.3%)
- 25 • 0.8% decrease in TR positioning for the PWU group (12.2% to 11.4%)
- 26 • 0.8% decrease in TR positioning for the Society group (19.2% to 18.4%)
- 27 • 0.2% increase in TR positioning for Management (-13.8% to -13.6%).

³⁴ OPG's decision to reduce its contributions to the RPP by utilizing the AAS as permitted under the PBA does not impact compensation benchmarking results, as it does not affect the value of the pension benefits provided under the plan.

1 The market median in the compensation benchmarking study reflects a blend of compensation
2 levels across a wide range of experience and tenure (years of service with a company) found
3 in the market. As of April 1, 2024, 60% of PWU-represented employees and 41% of Society-
4 represented employees were at the top of their respective pay scale due to their tenure with
5 OPG. To help better interpret the benchmarking results, OPG asked WTW to provide an
6 analysis of the average tenure of its workforce compared to its peer comparators. According
7 to the WTW analysis (Attachment 5), 56% of OPG's unionized employees have tenure at the
8 75th percentile of the market, indicating that OPG's compensation reflects a more tenured
9 workforce than the market.

10
11 OPG continues to take actions to ensure its compensation and benefit programs reflect the
12 changing needs of the company within the context of the labour market and within the
13 requirements of labour negotiations. As part of these efforts and in line with the results of the
14 benchmarking, the actions being taken include:

- 15
- 16 a) Compensation benchmarking results and pension and benefit information continue to
17 be shared with union representatives to inform and set context for the collective
18 bargaining processes.
 - 19
 - 20 b) Management salary ranges continue to be regularly reviewed to assess the midpoint
21 of the salary range with the target market position. OPG's target market for base
22 salaries is set at the 50th percentile for the Standard segment and 75th percentile for the
23 Nuclear Authorized segment.³⁵
 - 24 c) Targeted groups continue to receive education on OPG's compensation philosophy,
25 including achieving affordability through targeting market 50th percentile (75th percentile
26 for Nuclear Authorized) while remaining competitive to attract and retain the required
27 talent. Additionally, efforts continue to ensure a culture that encourages staff retention
28 and enables leader development.

³⁵ Nuclear Authorized positions in senior executive positions (Bands A-D) continue to be benchmarked at the 50th percentile.

d) “Get the Facts” sessions on compensation programs are held to ensure employees have a good understanding of all elements of remuneration. Additionally, management employees are provided with a total compensation statement that sets out a comprehensive overview of compensation value after the annual performance review.

9.0 WAGES AND THE GENERATION OF ELECTRICITY IN ONTARIO

Bruce Power remains OPG’s closest competitor for attracting and retaining talent. Both Bruce Power and OPG generate electricity in the same energy market, operate similar nuclear technology, have a workforce comprised of similar roles, and have employees represented by the same unions.

WTW undertook a comparison of OPG’s wages to those provided by Bruce Power.³⁶ The results of this comparison are captured in Attachment 4, and a summary is provided below in Figure 13. The analysis shows that Bruce Power’s unionized wages are 24% higher for PWU-represented positions and 9% higher for Society-represented positions. For licensed nuclear roles, such as the Control Room Shift Supervisor (Society), Bruce Power’s unionized wages are up to 20% higher.

Figure 13 - Comparison of OPG and Bruce PWU and Society Base Salary

Annual Base Salary Comparison	OPG k\$	Bruce Power k\$	Difference (OPG-Bruce Power)	
			k\$	%
	PWU	130.8	160.5	(29.7)
Society	159.7	174.7	(15.0)	(9.0)

³⁶ Comparison of 2024 wage schedules.

1 **10.0 CONCLUSION**

2 The Province is embarking on a transformative period for Ontario's energy sector, with OPG
3 being a key contributor to the Province's plans for an energy system that is affordable, secure,
4 reliable, and clean. OPG's regulated facilities and the DNNP facilities constitute critical
5 infrastructure for Ontario's electricity supply. In order to execute on the Province's Integrated
6 Energy Plan, OPG must maintain a highly skilled and experienced workforce across the
7 province. OPG's compensation and benefits are largely the product of its collective
8 agreements. OPG operates within a complex labour environment, where the essential nature
9 of its services affects its bargaining leverage and arbitration dynamics drive upward pressure
10 on wage trends. Despite this, OPG's overall TR and TDC are positioned within the target
11 market range compared to peers. When compared to EB-2020-0290, OPG has been able to
12 achieve additional resource flexibility and efficiencies in redeployment and downsizing
13 provisions in its labour agreements. The ability to resource to meet peaks in demand and to
14 reassign existing staff where there is a sustained need will enable OPG to more effectively and
15 efficiently execute the Pickering Refurbishment Program, maintain an engaged workforce, and
16 avoid costs and operational disruption through the IR term, all of which is reflected in the
17 payment amounts sought in this Application.

LIST OF ATTACHMENTS

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- Attachment 1: FTE, Compensation and Benefit Information for OPG's Nuclear Regulated Facilities ("Appendix 2k")
- Attachment 2: Southlea Report and Recommendations on OPG Compensation Philosophy
- Attachment 3: Total Compensation Benchmarking Study prepared by Willis Towers Watson
- Attachment 4: Comparison of Salary Schedules for Society and PWU Roles prepared by Willis Towers Watson
- Attachment 5: Benchmarking Tenure Analysis prepared by Willis Towers Watson

FTE, Compensation and Benefit Information for OPG's Nuclear Regulated Facilities ("Appendix 2k")

Numbers may not add due to rounding

EB-2025-0297 (2027-2031 Custom IR term)

Line No.	Nuclear Facilities (excluding DNNP LP)	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Staff (Regular and Non-Regular)	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
	Nuclear - Direct												
1	Management	642.7	545.9	549.8	623.0	737.4	873.3	751.5	694.7	685.2	671.9	665.0	682.0
2	Society	2,270.6	2,163.8	2,032.2	2,222.6	2,479.0	3,085.4	2,783.5	2,569.3	2,514.8	2,476.7	2,457.2	2,436.7
3	PWU	3,458.6	3,293.0	2,873.1	2,887.0	3,206.2	3,686.0	3,640.2	3,651.3	3,646.4	3,678.9	3,640.5	3,623.2
4	Term/E/TE/PECO Temporary	598.9	794.9	928.0	988.6	657.5	240.2	215.2	7.0	7.0	7.0		
5	EPSCA	234.3	355.7	401.3	434.7	427.2	321.2	194.9	396.9	515.0	450.4	365.1	281.9
6	Subtotal	7,205.1	7,153.3	6,784.4	7,155.9	7,507.3	8,206.1	7,585.4	7,319.2	7,368.4	7,284.9	7,127.7	7,023.8
	Nuclear - Allocated												
7	Management	268.9	267.4	273.5	314.9	341.3	403.6	387.1	347.4	343.7	344.3	342.4	336.7
8	Society	385.6	385.2	417.1	564.5	643.7	754.3	690.0	681.6	669.2	664.9	662.9	650.8
9	PWU	434.2	405.0	448.8	490.0	488.3	498.2	456.3	489.9	485.4	485.1	489.3	493.8
10	Term/E/TE/PECO Temporary	60.6	78.5	80.3	64.6	61.6	39.0	33.3					
11	EPSCA	42.1	44.4	30.9	31.6	30.8	37.0	37.0	37.0	37.0	37.0	36.9	38.2
12	Subtotal	1,191.3	1,180.5	1,250.8	1,465.6	1,565.7	1,732.2	1,603.6	1,555.9	1,535.2	1,531.3	1,531.5	1,519.4
	Nuclear Facilities												
13	Management	911.5	813.3	823.3	937.9	1,078.6	1,276.9	1,138.6	1,042.2	1,028.9	1,016.2	1,007.4	1,018.7
14	Society	2,656.2	2,549.0	2,449.4	2,787.1	3,122.7	3,839.7	3,473.6	3,250.9	3,184.1	3,141.7	3,120.1	3,087.5
15	PWU	3,892.7	3,698.1	3,321.9	3,377.1	3,694.6	4,184.3	4,096.5	4,141.2	4,131.8	4,164.0	4,129.8	4,116.9
16	Term/E/TE/PECO Temporary	659.4	873.4	1,008.4	1,053.2	719.1	279.2	248.5	7.0	7.0	7.0		
17	EPSCA	276.4	400.0	432.2	466.3	458.0	358.2	231.8	433.9	551.9	487.3	402.0	320.0
18	Total	8,396.4	8,333.8	8,035.2	8,621.5	9,073.0	9,938.3	9,189.0	8,875.1	8,903.6	8,816.2	8,659.2	8,543.2
	Salary & Incentive Pay (including Fiscal Adjustment)	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
19	Management	165.2	151.6	159.1	183.1	209.3	251.9	229.6	220.8	225.0	231.5	234.1	243.5
20	Society	352.5	366.5	342.7	430.4	482.6	600.3	555.0	547.6	553.3	571.4	584.1	599.7
21	PWU ²	462.5	479.8	417.8	486.0	579.7	560.3	571.3	599.6	616.3	650.4	661.2	674.0
22	Term ² /E/TE/PECO Temporary	70.7	98.7	120.0	139.2	93.6	32.2	30.0	1.2	1.2	1.3		
23	EPSCA ²	41.1	64.8	70.0	80.9	84.0	58.5	39.1	79.8	102.1	94.8	80.1	65.5
24	Unallocated ³	19.5											
25	Total	1,111.6	1,161.3	1,109.6	1,319.6	1,449.2	1,503.3	1,425.0	1,448.9	1,498.0	1,549.3	1,559.5	1,582.8
	Overtime	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
	Management		0.0	0.0	0.0	(0.0)							
26	Society	39.4	44.3	46.1	49.4	56.0	43.0	37.7	42.2	39.3	43.5	41.8	40.5
27	PWU	75.5	80.9	71.3	79.3	93.9	71.8	68.4	96.2	87.4	101.6	96.0	91.5
28	Term/E/TE/PECO Temporary	8.8	11.7	16.4	21.0	12.3	3.2	2.5					
29	EPSCA	4.7	12.2	19.2	22.0	23.8	11.2	5.0	19.8	18.5	18.3	18.6	15.3
	Unallocated ³												
30	Total	128.4	149.1	153.0	171.8	186.0	129.3	113.6	158.2	145.2	163.4	156.5	147.3
	Benefits (Current Benefits and Pension & OPEB)	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
31	Management	67.5	68.7	69.3	48.1	68.4	77.3	76.1	72.3	72.9	75.6	76.0	79.3
32	Society	166.0	182.2	176.2	130.8	188.3	218.0	213.4	212.3	215.8	225.6	229.8	237.0
33	PWU	198.9	210.2	188.2	125.0	192.9	190.1	206.4	220.6	226.6	239.9	245.2	253.5
34	Term/E/TE/PECO Temporary	5.1	6.0	8.4	9.4	7.8	2.0	1.8	0.1	0.1	0.1		
35	EPSCA	2.8	3.3	4.7	4.7	5.1	3.3	2.0	4.8	5.7	5.4	4.7	3.8
36	Unallocated ³	7.4											
37	Total	447.7	470.5	446.7	318.0	462.4	490.5	499.7	510.1	521.1	546.5	555.7	573.7
38	Current Benefits (Statutory)	68.4	65.8	69.0	77.3	91.3	102.8	96.8	99.6	101.7	107.1	106.6	108.3
39	Current Benefits (Non-Statutory)	40.8	46.3	45.6	50.1	54.8	70.1	65.7	68.0	69.9	73.3	74.2	76.6
40	Pension & OPEB (Current Service) ¹	338.5	358.3	332.0	190.6	316.3	317.7	337.2	342.6	349.5	366.2	375.0	388.8
	TOTAL COMPENSATION	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
41	Management	232.8	220.3	228.5	231.2	277.7	329.2	305.7	293.1	297.9	307.0	310.1	322.8
42	Society	557.8	592.9	564.9	610.6	726.9	861.3	806.1	802.1	808.5	840.5	855.8	877.2
43	PWU	736.9	770.9	677.2	690.3	866.5	822.2	846.0	916.4	930.3	991.9	1,002.4	1,019.0
44	Term/E/TE/PECO Temporary	84.6	116.5	144.8	169.6	113.7	37.4	34.4	1.2	1.3	1.3		
45	EPSCA	48.7	80.3	93.9	107.6	112.9	73.0	46.1	104.4	126.4	118.4	103.4	84.7
46	Unallocated ³	26.9											
47	Total	1,687.7	1,780.9	1,709.3	1,809.4	2,097.7	2,123.1	2,038.3	2,117.2	2,164.3	2,259.2	2,271.7	2,303.7

¹Presented on an accrual basis

²Includes employee remittances for purpose of union-administered benefit programs

³Refer to Nuclear EB-2020-0290 L-F4-03-Society-018 part a)

**FTE, Compensation and Benefit Information for
 OPG's DNNP LP Regulated Facilities ("Appendix 2k")**

Numbers may not add due to rounding

EB-2025-0297 (2027-2031 Custom IR term)

Line No.	DNNP LP	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)
	Staff (Regular and Non-Regular)	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
	DNNP LP - Direct						
1	Management	68.4	75.0	58.8	45.4	32.5	26.8
2	Society	177.1	178.4	129.7	96.2	84.7	78.2
3	PWU	50.9	116.4	174.5	172.0	139.6	133.6
4	EPSCA						
5	Subtotal	296.4	369.9	363.1	313.6	256.8	238.5
	DNNP LP - Allocated						
6	Management	29.9	35.3	37.3	29.9	29.1	19.1
7	Society	50.5	58.3	60.3	47.2	46.4	44.1
8	PWU	19.5	23.5	23.3	22.4	15.0	18.0
9	EPSCA	0.0	0.0	0.0	0.0	0.1	0.2
10	Subtotal	99.8	117.2	120.9	99.5	90.5	81.4
	DNNP LP Facilities						
11	Management	98.3	110.3	96.1	75.3	61.6	45.9
12	Society	227.6	236.7	190.0	143.4	131.2	122.3
13	PWU	70.3	140.0	197.8	194.3	154.6	151.6
14	EPSCA	0.0	0.0	0.0	0.0	0.1	0.2
15	Total	396.2	487.1	484.0	413.1	347.3	319.9
	Salary & Incentive Pay (including Fiscal Adjustment)	\$M	\$M	\$M	\$M	\$M	\$M
16	Management	20.9	25.3	24.7	21.5	19.5	16.2
17	Society	36.2	39.4	33.6	27.2	26.0	25.8
18	PWU ²	10.1	23.2	32.8	33.9	27.7	29.7
19	EPSCA ²	0.0	0.0	0.0	0.0	0.0	0.0
20	Total	67.3	87.8	91.2	82.6	73.2	71.7
	Overtime	\$M	\$M	\$M	\$M	\$M	\$M
21	Society	1.0	1.0	0.9	0.7	0.7	0.7
22	PWU	0.2	0.6	0.8	0.8	0.6	3.0
23	EPSCA						
24	Total	1.2	1.6	1.7	1.5	1.3	3.7
	Benefits (Current Benefits and Pension & OPEB)	\$M	\$M	\$M	\$M	\$M	\$M
25	Management	7.1	8.3	7.4	6.0	4.9	3.7
26	Society	14.1	15.1	12.5	9.9	9.3	8.8
27	PWU	3.0	7.6	10.8	11.4	8.9	8.8
28	EPSCA	0.0	0.0	0.0	0.0	0.0	0.0
29	Total	24.2	31.0	30.8	27.3	23.1	21.3
30	Current Benefits (Statutory)	4.2	5.5	5.4	4.8	4.0	3.8
31	Current Benefits (Non-Statutory)	3.3	4.2	4.2	3.8	3.2	2.9
32	Pension & OPEB (Current Service) ¹	16.7	21.3	21.1	18.7	15.9	14.5
	TOTAL COMPENSATION	\$M	\$M	\$M	\$M	\$M	\$M
33	Management	28.0	33.6	32.1	27.5	24.4	19.9
34	Society	51.3	55.5	47.0	37.8	35.9	35.3
35	PWU	13.4	31.4	44.5	46.1	37.2	41.5
36	EPSCA	0.0	0.0	0.0	0.0	0.0	0.0
37	Total	92.7	120.4	123.6	111.4	97.6	96.7

¹Presented on an accrual basis

²Includes employee remittances for purpose of union-administered benefit programs

³Refer to Nuclear EB-2020-0290 L-F4-03-Society-018 part a)

FTE, Compensation and Benefit Information for OPG's Hydroelectric Regulated Facilities ("Appendix 2k")

Numbers may not add due to rounding

EB-2025-0297 (2027-2031 Custom IR term)

Line No.	Hydroelectric Facilities	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
	Staff (Regular and Non-Regular)	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
Hydroelectric - Direct																	
1	Management	84.6	86.5	87.4	84.1	82.5	69.8	73.1	74.9	85.7	93.6	96.2	96.6	96.1	95.0	96.7	95.7
2	Society	265.7	282.4	320.8	324.5	341.2	346.7	364.6	370.6	423.5	508.0	522.5	536.3	531.2	528.1	531.1	527.3
3	PWU	665.1	639.0	670.4	664.6	667.7	676.5	670.3	701.9	727.3	826.7	883.7	888.6	896.1	908.7	901.2	902.7
4	Subtotal	1,015.4	1,008.0	1,078.6	1,073.1	1,091.4	1,093.0	1,108.0	1,147.4	1,236.6	1,428.3	1,502.4	1,521.5	1,523.4	1,531.8	1,529.0	1,525.6
Hydroelectric - Allocated																	
5	Management	67.7	62.3	59.7	60.7	56.6	50.6	56.0	58.8	69.9	70.9	69.7	65.5	64.3	63.4	64.0	65.7
6	Society	74.0	69.7	77.2	81.5	62.8	58.4	62.1	71.3	83.0	96.8	96.5	98.9	98.6	96.3	95.3	94.4
7	PWU	37.3	38.8	39.4	34.1	18.4	16.4	24.9	25.1	26.2	29.8	27.7	25.9	25.5	24.5	24.6	25.3
8	Subtotal	179.0	170.8	176.2	176.3	137.9	125.4	143.0	155.1	179.0	197.5	193.9	190.3	188.5	184.2	183.9	185.4
Hydroelectric Facilities																	
9	Management	152.2	148.8	147.1	144.8	139.1	120.3	129.1	133.7	155.6	164.5	165.9	162.1	160.4	158.4	160.7	161.3
10	Society	339.8	352.1	398.0	405.9	404.0	405.1	426.7	441.9	506.5	604.8	619.0	635.3	629.8	624.4	626.4	621.7
11	PWU	702.3	677.8	709.8	698.7	686.1	692.9	695.2	726.9	753.5	856.6	911.4	914.5	921.6	933.2	925.8	928.1
12	Total	1,194.4	1,178.8	1,254.9	1,249.4	1,229.3	1,218.4	1,251.0	1,302.6	1,415.6	1,625.8	1,696.3	1,711.9	1,711.9	1,716.0	1,712.9	1,711.1
Salary & Incentive Pay (including Fiscal Adjustment)																	
13	Management	\$M 24.8	\$M 25.8	\$M 25.9	\$M 25.7	\$M 25.2	\$M 21.0	\$M 23.5	\$M 27.5	\$M 31.8	\$M 34.3	\$M 35.7	\$M 36.5	\$M 37.3	\$M 38.1	\$M 39.5	\$M 40.7
14	Society	41.4	44.4	50.4	51.7	52.4	55.5	59.1	60.6	73.1	91.6	96.6	102.9	105.0	108.7	112.6	116.0
15	PWU ²	75.8	73.4	76.6	77.2	78.3	85.1	81.1	91.0	107.1	113.0	125.5	129.7	134.6	141.8	144.4	149.6
16	Unallocated ³	(3.3)	(2.3)	(8.0)	(6.6)	0.4											
17	Total	138.7	141.4	144.9	148.1	156.4	161.7	163.7	179.2	211.9	238.9	257.8	269.0	276.9	288.7	296.4	306.2
Overtime																	
18	Society	2.3	3.0	3.4	4.2	4.2	4.4	6.1	7.1	6.6	7.1	7.8	8.3	8.5	9.0	9.3	9.8
19	PWU	5.9	8.5	9.1	10.1	9.4	13.6	14.5	17.7	18.7	19.7	21.0	22.4	23.6	25.8	25.9	26.9
20	Total	8.2	11.5	12.5	14.4	13.7	18.0	20.6	24.8	25.3	26.8	28.8	30.7	32.2	34.8	35.2	36.7
Benefits (Current Benefits and Pension & OPEB)																	
21	Management	9.4	9.3	10.8	10.3	10.3	10.1	11.5	6.3	10.3	10.2	11.6	11.6	11.7	12.1	12.5	12.9
22	Society	18.0	18.7	24.1	23.9	26.5	29.5	31.5	18.8	28.5	33.9	39.3	41.2	42.3	44.5	45.8	47.3
23	PWU	31.9	30.9	35.9	34.4	36.9	43.8	40.1	30.5	39.1	39.3	45.3	46.3	47.8	50.7	51.9	54.0
24	Unallocated ³	(0.8)	(1.1)	(2.6)	(1.3)	1.7											
25	Total	58.5	57.8	68.1	67.2	75.4	83.3	83.0	55.7	77.8	83.4	96.2	99.2	101.8	107.3	110.2	114.3
26	Current Benefits (Statutory)	8.7	9.0	9.1	9.2	9.2	8.0	11.0	11.9	13.9	17.2	18.5	19.3	20.0	21.2	21.5	22.2
27	Current Benefits (Non-Statutory)	6.1	7.1	6.6	6.8	7.0	9.2	8.9	9.4	9.8	12.0	12.7	13.2	13.6	14.4	14.6	15.2
28	Pension & OPEB (Current Service) ¹	43.7	41.7	52.4	51.2	59.2	66.1	63.1	34.3	54.1	54.2	65.0	66.7	68.2	71.8	74.0	77.0
TOTAL COMPENSATION																	
29	Management	34.1	35.2	36.7	36.0	35.5	31.1	34.9	33.8	42.0	44.4	47.2	48.1	49.1	50.2	51.9	53.6
30	Society	61.7	66.1	77.9	79.8	83.1	89.4	96.8	86.5	108.2	132.6	143.7	152.4	155.8	162.3	167.7	173.1
31	PWU	113.6	112.8	121.6	121.8	124.7	142.5	135.7	139.3	164.8	172.0	191.8	198.4	206.0	218.3	222.1	230.5
32	Unallocated ³	(4.1)	(3.4)	(10.6)	(8.0)	2.1											
33	Total	205.4	210.7	225.6	229.7	245.5	263.0	267.4	259.6	315.1	349.0	382.7	399.0	410.9	430.8	441.8	457.2

¹Presented on an accrual basis

²Includes employee remittances for purpose of union-administered benefit programs

³Refer to Nuclear EB-2020-0290 L-F4-03-Society-018 part a)

Ontario Power Generation

Compensation Philosophy & Peer Groups

September 29, 2025

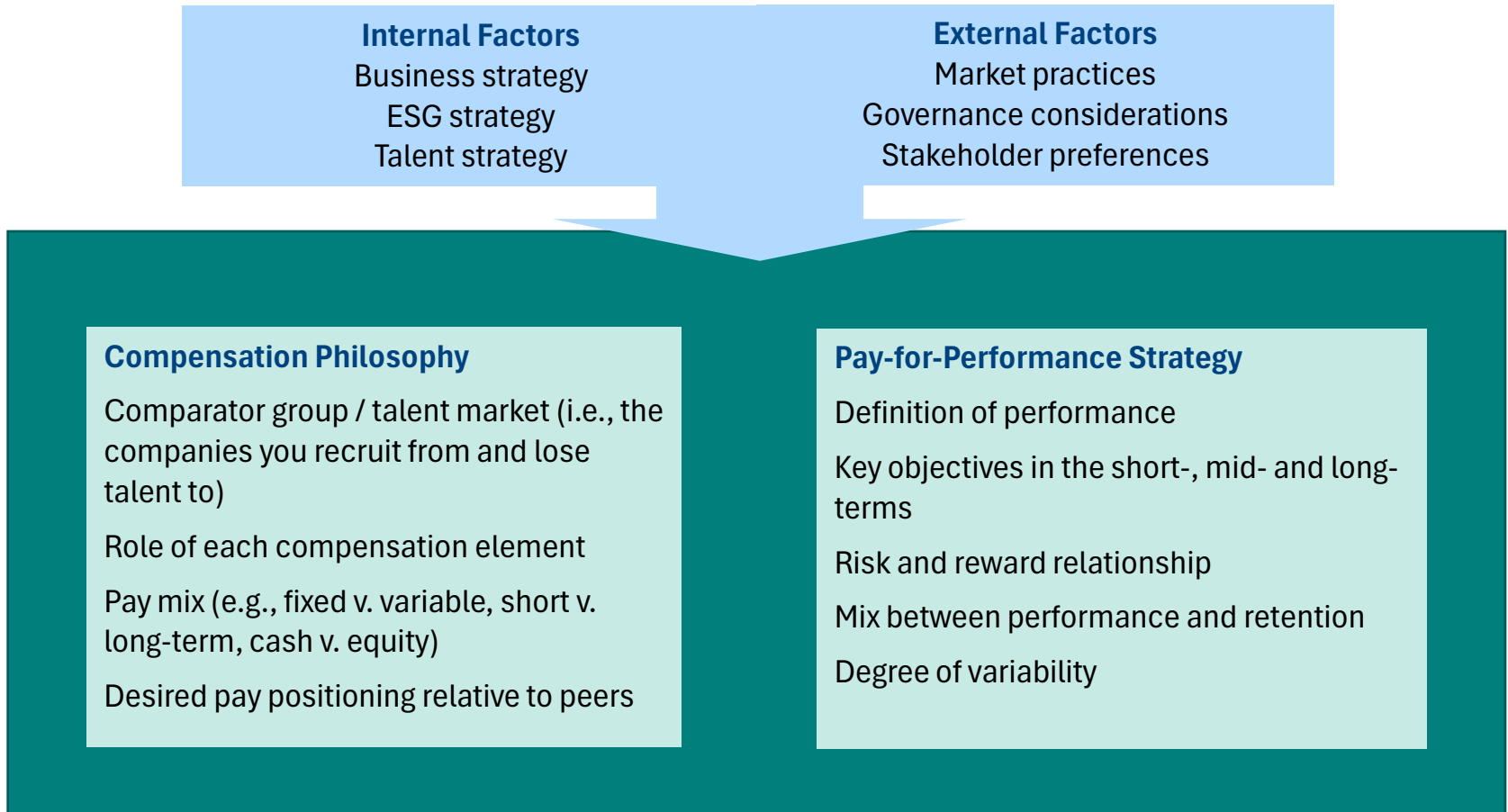


Background

- Ontario Power Generation (“OPG”) is reviewing the compensation philosophy and peer group approach to support the continued attraction and retention of talent required to deliver upon its mandate
- As requested by OPG, Southlea Group (“Southlea”) conducted an independent review to determine whether any changes should be made to the compensation philosophy and peer group approach
- The compensation philosophy and peer group approach addresses all employees in OPG, both represented and non-represented employees. The purpose is to inform the compensation structure and design for non-represented employees and to support the bargaining mandate for represented employees
- In this review, Southlea performed an environmental scan to gather information about OPG’s business strategy, talent objectives, workforce profile, and the external labour market in which OPG currently operates and will compete for talent to fulfill its mandate

Compensation Philosophy Development

Framework needs to consider both internal and external factors



Compensation Philosophy Development



Industry Drivers

- Electricity demand is expected to increase by 75% in Ontario over next 25 years due to increased electrification (offset by greater efficiency / conservation efforts)
- Ontario's growth is consistent with broader expected growth in demand across Canada and globally
- Significant increase in demand is expected to be met with mixed energy sources, including nuclear, hydroelectric and gas
- Overall growth of the industry will put increased pressure on financial, capital and labour resources associated with electricity generation and transmission / distribution
- Increasing number of nuclear plants as well as new forms of nuclear power generation will lead to more competition for limited skilled labour in Canada over a longer period of time

Compensation Philosophy Development



OPG's Business Objectives and Mandate	OPG's Scope and Complexity
<ul style="list-style-type: none"> Company is transitioning from a primarily operationally-focused power generator to a full-cycle power producer: <ul style="list-style-type: none"> Source (finding projects; evaluating feasibility; developing initial plans) Develop (securing permits and financing; detailed planning) Construct (building plant; efficient project management) Operate and Maintain (safe, efficient and reliable performance; cost management) Requirement to maintain safe, reliable and cost-efficient operations while successfully executing on large scale project developments Potential opportunities to provide services outside of Ontario in a competitive marketplace 	<ul style="list-style-type: none"> ~\$7B in revenue and increasing ~\$70B in assets, with \$5 to \$7B in annual capex forecast over next seven years across the business, including: <ul style="list-style-type: none"> Constructing first of a kind nuclear reactors Nuclear refurbishments and developments Increasing gas and energy storage capacity Advancing potential hydroelectric projects More than 11,000 employees Pure-play multi-generation utility with 18,000 MW generating capacity (nuclear 26%, regulated hydroelectric 36%, contracted hydroelectric 23% and other, Atura Power 15%) Increasing commercial orientation / mindset <ul style="list-style-type: none"> Greater financing complexity Focus on long-term shareholder value Still responsive to public policy demands Production of medical isotopes; energy-related services



Compensation Philosophy Development



OPG's Talent Objectives	Value Proposition / Employee Experience
<ul style="list-style-type: none"> • Strong competition for nuclear talent will continue supporting the need to build talent from within and to encourage retention • Increasing focus on the acquisition and retention of project / engineering talent that may come from more non-traditional sources (particularly new nuclear; technology investors) • Complexity and long development timelines put more pressure on retention • Ability to build talent across organization while recognizing differences in compensation (particularly in nuclear authorized) • Ensuring a high-performance, business-oriented workforce that will drive sustainable success to lead the energy transition • Operations-oriented organization requiring employees to work in person (on location or in office) • Managing compression to sufficiently differentiate compensation relative to level 	<ul style="list-style-type: none"> • Part of fast growing and complex organization that provides great learning and development opportunities • Strong focus on leadership development, business orientation and accountability • Market competitive compensation with a strong performance orientation and pay-for-performance incentive programs • Grow with us over time and develop your career for the long-term • Work environment orientation supports teamwork, collaboration and innovation

OPG's Risk and Accountability Framework

Shifting to a more private-sector orientation over time with continued recognition of public ownership and mandate

					
	Government	Crown Corporation	OPG 	Privately-held	Publicly-traded
Goals	Mission effectiveness	Mission / competitive Efficiency	Expanding into more competitive markets Greater focus on growing financial returns to support reinvestment and meet energy demand needs	Competitiveness Financial returns	Competitiveness Profit / growth > value
Risk	Low risk	Low - medium risk	Increasing risk profile with large-scale refurbishment projects Pursuing first-of-a-kind technologies, including being the first G7 nation to construct SMRs Targeting other higher-return growth through various ventures	Medium – high risk	High risk
Capital	From income streams such as taxes (backstopped by the government)	From revenue-generating activities (sometimes externally raised through public debt; limited/no external equity)	Significant portion of funding through internal core operations Reliance on external financing has grown through public debt and green bond issuances; incremental provincial funding remains limited Growth emphasis on alternative funding, new partnerships and global bond program	Internally generated and externally raised (primarily debt)	Internally generated and externally raised (equity and debt)
Strategy	Primary focus on needs of government and citizens	Primary focus on needs of key stakeholders (including financial self-sufficiency)	Continuing pursuit of profitability based of a commercial mandate which is heavily weighted in incentives Oriented to continued profit growth and value creation over long-term	Primary focus on growing profits (typically a longer-term orientation)	Equity market value creation
Account-ability	Large group of stakeholders	Medium group of stakeholders (primarily customers)	Expanding group of stakeholders, investors and partners In addition to a continuing focus on shareholder and ratepayers	Owners / investors (tend to be more limited)	Shareholders (retail and institutional)
Compe-titive	Likely no competition	Mixed (some are monopolies / others are in competitive environments)	Increasing focus on competing for projects based on cost, managing levelized cost of energy and expanding energy generation with recognition that core industry remains stable and not highly competitive New business ventures that are inherently more competitive	Competitive environment	Competitive environment

OPG’s Workforce Profile - Breakdown

OPG’s workforce is heavily operationally-oriented

- The majority of OPG’s workforce is related to the utility operations, engineering and project development

Utility Jobs					Corporate Jobs
Operations	Engineering	Nuclear Operations	Projects	Renewable Generation	
9%	17%	30%	11%	14%	18%

- The workforce primarily consists of represented employees

Management Group (MG) / Non-represented	Represented
14%	86%

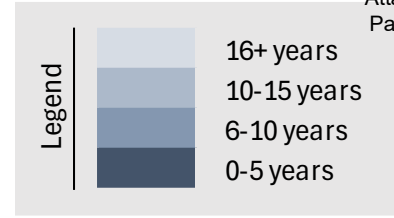
- And the workforce has a strong emphasis on nuclear operations and development

Nuclear	Other / Non-Nuclear
~75%	~25%

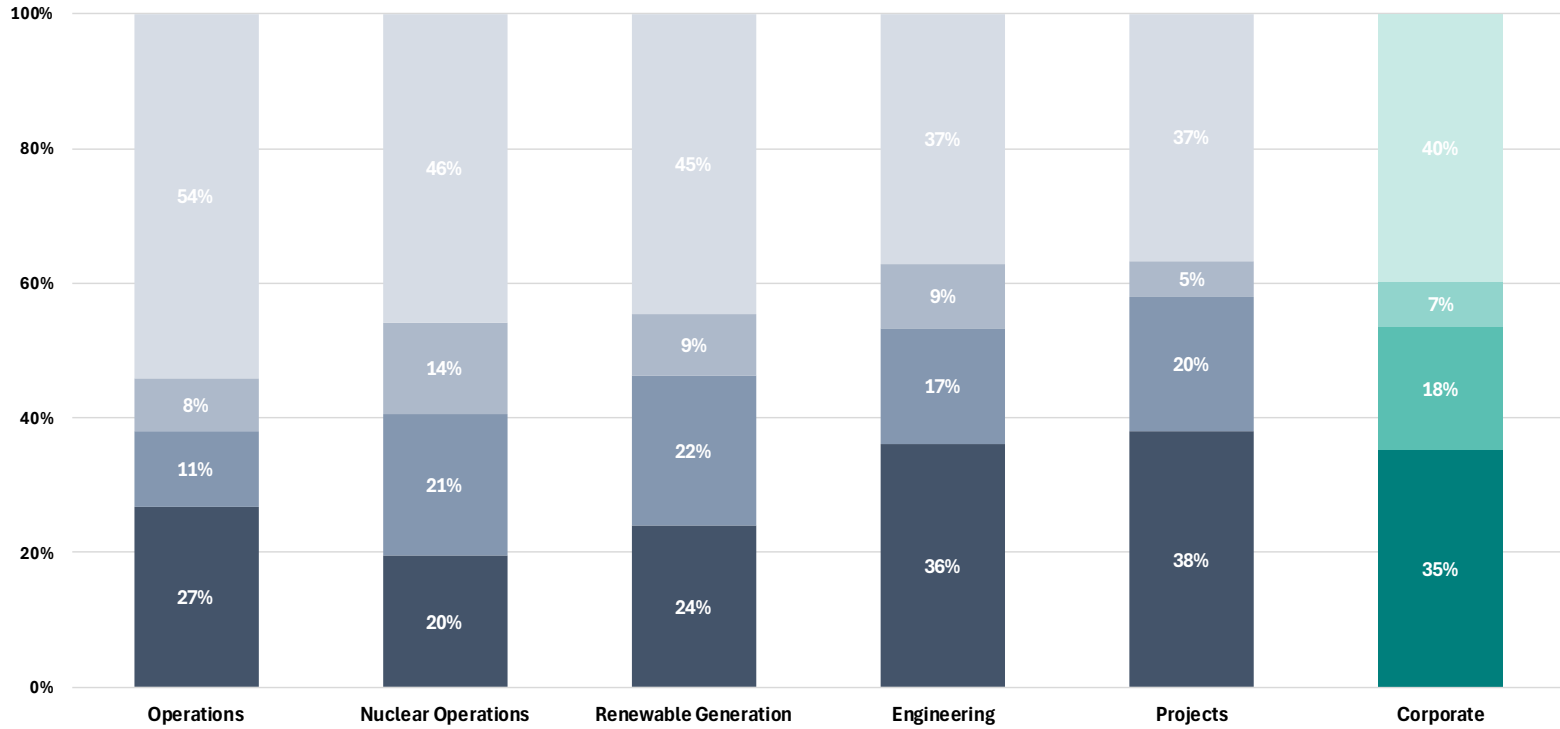
Note: Based on full time employees as of June 2025. Nuclear allocation based on OM&A by segment as reported in 2024

OPG's Workforce Profile – Years of Service

OPG has a combination of new hires and long-tenured employees



- OPG has a bifurcated workforce profile with lots of new hires (less than 5 years experience) and those with significant experience (more than 16 years) which creates a gap in experience



Note: Based on full time employees as of June 2025

OPG's Workforce Profile - Turnover

Employees are primarily leaving for private sector with better opportunities and compensation

Band A-G Turnover (2019 to 2024) – n=139

	Industry (%)
General Industry	35%
Energy	65%

	Sector (%)
Private Sector	80%
Public Sector	20%

Note: Based on those in Band A-G leaving OPG (except retirees) that went to another identifiable organization

Exit Interview Findings (2025 YTD) – n=163

Years of Service	Prevalence
< 5 years	45%
5 to 10 years	26%
10 to 15 years	5%
15 to 20 years	14%
20 to 25 years	7%
> 25 years	4%

Primary Reasons for Leaving	Prevalence
Better External Opport. Comp / Benefits	32%
Personal / Family	15%
Ltd. Dev't / Advancement	7%
Company Culture	7%
Work-life Balance	6%

OPG's Workforce Profile - Hiring

Hiring is increasingly coming from engineering and project roles. The hiring talent market is private-sector oriented and from a variety of industries

External Hiring Data (2024 to 2025 YTD) – n=538

Sector (%)	Overall	Non-represented	Represented
Private Sector	64%	69%	62%
Public Sector	36%	31%	38%

Industry (%)	Overall	Non-represented	Represented
General Industry	60%	61%	59%
Energy	40%	39%	41%

- Key hiring challenges cited:**
- Hiring less experienced candidates
 - Increasingly difficult to pay above middle of internal pay band for external talent
 - Finding talent with needed specialized skills and in right location(s)

External Hiring Functions

- OPG has hired more engineering, project and renewable generation talent over past 18 months (relative to size of unit)

Utility Jobs					Corporate Jobs
Operations	Engineering	Nuclear Operations	Projects	Renewable Generation	
8%	21%	8%	20%	23%	20%

Peer Group Selection Criteria

Design principles are used to capture the market for labour talent in terms of companies which you recruit from or lose talent to

Design principles	Considerations
Ownership	<ul style="list-style-type: none"> • Compensation levels are impacted by ownership structure • Private sector companies generally pay more than public sector organizations (although this may vary by level)
Industry	<ul style="list-style-type: none"> • Given the limited size of the Canadian market, it is common to look to other comparable industries • Some roles might be more industry agnostic with transferable skills
Size	<ul style="list-style-type: none"> • Company size is typically correlated with compensation levels, particularly at the executive level. Company size is still relevant below-executive as company size can inform the approach to compensation design • Size is typically defined by revenue, although other factors can also be used to gauge company scope
Geography	<ul style="list-style-type: none"> • Canadian companies carefully consider the geographic mix between Canadian and US headquartered companies given higher US pay levels • References are increasingly being made on a national basis given mobility of talent
Complexity	<ul style="list-style-type: none"> • Other factors can impact the scope and complexity of a company including geographic span of operations, number of business units, capital complexity, employee representation, etc.

Peer Group Selection Criteria

Market practices vary across the utility sector with differences depending on unique business characteristics and historical practices

Design principles	General market practices	Specific Ontario Regulated Utility Practices		
		Hydro One	Toronto Hydro	IESO
Ownership	<ul style="list-style-type: none"> Utilities: practices vary as many will focus more specifically on industry comparisons Crowns: weighting on public sector varies based on degree of commercialization 	<ul style="list-style-type: none"> No specific mix Non-exec: 75% public Exec: 75% private 	<ul style="list-style-type: none"> No specific mix Non-exec: varies Exec: no more than 1/3rd priv. 	<ul style="list-style-type: none"> No specific mix Exec: 50% public
Industry	<ul style="list-style-type: none"> Utilities: benchmark primarily against other energy/utility companies. In some cases, they may expand the peer group to include other related industries (for all or some roles) 	<ul style="list-style-type: none"> 100% Energy/Utilities OEB requested that it be broader 	<ul style="list-style-type: none"> Two separate groups: Energy & General Industry (100% priv.) 	<ul style="list-style-type: none"> Three groups: Energy, Public & Private Energy included across all three
Size	<ul style="list-style-type: none"> Utilities: primary focus on revenue with other scope factors 	<ul style="list-style-type: none"> Revenue 	<ul style="list-style-type: none"> Revenue, FTE & operations 	<ul style="list-style-type: none"> Energy: revenue and operations
Geography	<ul style="list-style-type: none"> Utilities: broader focus on Canadian/national data with some recognition of local market 	<ul style="list-style-type: none"> Canada and Ontario 	<ul style="list-style-type: none"> Canadian 	<ul style="list-style-type: none"> Canadian with emphasis on Ontario/GTA
Complexity	<ul style="list-style-type: none"> Utilities: consideration of other factors (regulated v. non-regulated, capital intensity) 	<ul style="list-style-type: none"> Not considered 	<ul style="list-style-type: none"> Comparable operations 	<ul style="list-style-type: none"> Private: focus on financial services and engineering orgs

1. Sourced from recent OEB rate applications and other public disclosures

Peer Group Selection Criteria

Various other considerations in defining peer groups and pay positioning

- Most companies will position target compensation at the 50th percentile allowing for actual pay to vary above/below based on performance
 - In some cases, pay will be targeted higher (e.g., 75th percentile) for certain critical skills / roles
 - Each of the specific Ontario regulated utilities target the 50th percentile
- The Arnett Report (2007) outlined several executive compensation-related considerations for Ontario-based utilities:
 - The report indicated that while utilities have a commercial orientation, they still serve a public interest with broad policies outlined by the government
 - Recommended that utilities target their executive total compensation at the market 50th percentile of a peer group consisting of an equal mix of private and public sector organizations of similar size, scope and complexity
 - No specific reference to industry composition of peer group
- Other shareholder advisory bodies (e.g., ISS / Glass Lewis) define peer groups primarily based on industry and size (e.g., revenue and market capitalization)

Recommendations

Updated compensation philosophy guiding principles (1 of 2)

Current	Recommended
<p>Market Competitive – Drive organization results with a performance orientation that aligns with our business strategy and risk tolerance while taking into consideration affordability, market competitiveness as well as the context and environment in which OPG operates</p>	<p>Market Competitive – We operate in an increasingly competitive industry for specialized roles with relevant experience. We provide a market competitive total compensation package to attract and retain talent required to deliver upon our strategic priorities. On a selective basis, we also tailor our compensation programs to address specific areas where needed</p>
<p>Affordable – Demonstrate fiscal conservatism through sustainability, sound financial management and defensibility while supporting the attraction and retention of top talent</p>	<p>Value Driven – We optimize the design of our compensation programs for fiscal responsibility and value for our shareholder and ratepayers so that the value of our total compensation package enables OPG to meet its commitments</p>
<p>Performance Oriented – Have a strong performance orientation linked to OPG’s value creation and results while allowing individual compensation to be meaningfully differentiated based on performance, where appropriate.</p>	<p>Performance Oriented - We have a high-performance orientation that rewards for overall success as well as individual contributions to our success. We hold each other accountable for making business-oriented decisions that support safe and reliable operations, and successful delivery of projects. Our compensation will vary based on the success of the organization in delivering short- and long-term value for our shareholder and ratepayers</p>

Recommendations

Updated compensation philosophy guiding principles (2 of 2)

Current	Recommended
<p>Focus on Purpose and Operations – Recognize OPG’s role as a significant Ontario employer; encourage long-term employment and development, a culture of trust and respect, and a seamless integration with talent and succession management objectives</p>	<p>Agile and Flexible – The labour markets are rapidly evolving, and we prioritize flexibility and agility in our compensation programs. We regularly monitor the environment in which we operate (e.g., market changes, talent shortages, regulatory shifts, etc.) so that we can adjust our compensation programs as needed</p> <p>Risk Management – Our compensation programs reinforce effective stewardship and risk management of our resources to demonstrate our commitment to our shareholder and ratepayers</p> <p>Long-term Orientation – We operate a complex business with long-term investments that stretch over decades. Our compensation programs support a career with the organization so that our employees can fully develop and apply their knowledge over time</p>
<p>Simple and Transparent – Be simple to understand and administer, sustainable and scalable; communicated in a way that is integrated with messages about other monetary and non-monetary rewards such that the perceived value of all programs meet or exceed program costs</p> <p>Fair and Equitable – Internal equity ensures equal pay for work of equal value and is free from discrimination</p>	<p>Fair and Transparent – We provide fair and equitable compensation programs and practices. We support transparent communication of our compensation programs and the overall total rewards package</p>

Recommendations

Updated peer group selection criteria (excluding Nuclear Authorized)

Element	Current	Recommended	Rationale
Ownership	<ul style="list-style-type: none"> 50% public sector and 50% private sector Includes all corporate structures 	<ul style="list-style-type: none"> Put a greater emphasis on private sector organizations within a single peer group If required to maintain separate peer groups, adopt a 25% public sector and 75% private sector weighting Include only autonomous organizations 	<ul style="list-style-type: none"> Lack of comparable public sector peers Provides more robust data Better balances talent market with accountability profile
Industry	<ul style="list-style-type: none"> 75% energy/utility and 25% general industry 	<ul style="list-style-type: none"> 75% energy/utility and 25% other adjacent industries with similar complexity (as per below), such as: mining, industrial, telecom, financial 	<ul style="list-style-type: none"> Reflects need for energy industry experience Balanced by need for broader representation
Size	<ul style="list-style-type: none"> Revenue: \$3B to \$15B (executives) Not used for non-executives 	<ul style="list-style-type: none"> Revenue: \$3B to \$24B, plus assets and employees (executives) Not used for non-executives, but typically apply minimum threshold (\$1B in revenue) 	<ul style="list-style-type: none"> Captures operating revenue <u>and</u> capital expenditures (\$7B + \$5B = \$12B+) Approx. 1/2x to 2.0x range
Geography	<ul style="list-style-type: none"> Canada 	<ul style="list-style-type: none"> Canada with a focus on Ontario-based employers outside of energy 	<ul style="list-style-type: none"> Better aligns with broader talent market
Other		<ul style="list-style-type: none"> Organizations with similar complexity (considering factors such as: regulatory environment, engineering, represented employee base, capital orientation, multi-business lines) 	<ul style="list-style-type: none"> Better reflects OPG's organizational complexity and OPG's talent market

Refer to **Appendix** for further details on current practices

Recommendations

The impact of the proposed changes to be paced accordingly and aligned with attraction/retention needs

- The intent of the proposed changes to the compensation philosophy and peer group are to reflect the go-forward orientation of OPG in terms of its growth and transition
- The impact of the proposed changes to be tested relative to market compensation data to better understand the potential impact of OPG's current compensation structure and actual compensation
- Any changes to the compensation structure to be considered in terms of its impact on OPG's overall costs and various stakeholder interests and may need to be phased in overtime, and subject to Board of Directors approval as necessary
- Changes to the compensation structure may also be considered for specific employee groups depending on internal and external talent needs, e.g., critical skills, pivotal roles, etc.
 - It is anticipated that there might be special consideration for project roles (at certain levels and in specific areas) to address more challenging attraction/retention challenges in new nuclear given the market evolution in terms of new industry entrants (e.g., newer nuclear firms; technology investors)
- In addition, the implementation of some of the proposed changes may need to be considered when supported by regulatory / legal updates (e.g., Broader Public Service Executive Compensation Act)
- Actual compensation changes within a revised compensation structure will also be monitored with sufficient controls to manage the pacing of changes overtime aligned with business and talent needs

Appendix

OPG's current compensation philosophy and peer group selection criteria (for reference)

Appendix

Peer Group

Current philosophy / peer group approach

OPG's Market Position

Standard	Authorized
<ul style="list-style-type: none">• Market position: P50• Peer group reflects 75% utilities and 25% in general industry, with emphasis on large Ontario employers• 50% of data is weighted to public sector and 50% to private sector	<ul style="list-style-type: none">• Market position: P75• Includes roles that require licensing, specific education and in-depth knowledge of theories, principles, and methods associated with nuclear energy• Comparable roles are not readily found in Canada. Peer group reflects large nuclear organizations in Canada and US based nuclear organizations

The reason why OPG targets P75 for Authorized segment is to account for the additional scope in responsibilities and complexity relative to external market.

Individuals in OPG's nuclear control rooms:

- Are responsible for the safe operation of four nuclear units (compared to two in the US),
- Oversee more equipment and systems,
- Carry out more functions than their US counterparts (e.g., Candu has online fuel handling & heavy water handling), and as a result,
- Have more staff and responsibilities than international comparator nuclear operating units.

Non-authorized nuclear roles are also benchmarked against market data with a nuclear-related premium



Appendix

Peer Group

Current selection criteria

Areas with recommendations

Comparator Group Criteria

Total Sample (Excluding Nuclear Authorized) - Weighted 50% Public Sector / 50% Private Sector

Criteria	Private Sector		Public Sector	
	Executives	Non-Executives	Executives	Non-Executives
Size	<ul style="list-style-type: none"> Restrict to organizations with revenue between \$3 and \$15 billion 	<ul style="list-style-type: none"> No revenue restriction 	<ul style="list-style-type: none"> Restrict to organizations with revenue between \$3 and \$15 billion 	<ul style="list-style-type: none"> No revenue restriction
Corporate structure	<ul style="list-style-type: none"> Include: <ul style="list-style-type: none"> Publicly-traded Privately-held Subsidiaries Joint ventures Mutuals 	<ul style="list-style-type: none"> Include: <ul style="list-style-type: none"> Publicly-traded Privately-held Subsidiaries Joint ventures Mutuals 	<ul style="list-style-type: none"> Include government-owned, crown corporations only 	<ul style="list-style-type: none"> Include government-owned, crown corporations only
Industry	<ul style="list-style-type: none"> Blend of 75% utility and energy companies and 25% general industry organizations 	<ul style="list-style-type: none"> Blend of 75% utility and energy companies and 25% general industry organizations 	<ul style="list-style-type: none"> Blend of 75% utility and energy companies and 25% general industry organizations 	<ul style="list-style-type: none"> Blend of 75% utility and energy companies and 25% general industry organizations
Geography	<ul style="list-style-type: none"> Canadian (national) 	<ul style="list-style-type: none"> Canadian (national) 	<ul style="list-style-type: none"> Canadian (national) 	<ul style="list-style-type: none"> Canadian (national)

Appendix

Peer Group

Current selection criteria

Areas with recommendations

Comparator Group Criteria

Nuclear Authorized

Criteria	Executives & Non-Executives
Size	<ul style="list-style-type: none"> • Restrict to organizations with more than 1000 MW in nuclear power generation • Nine organizations in the U.S. plus Bruce Power in Canada
Corporate structure	<ul style="list-style-type: none"> • Include: <ul style="list-style-type: none"> – Publicly-traded – Privately-held – Subsidiaries – Joint ventures – Government owned – Mutuals
Industry	<ul style="list-style-type: none"> • Nuclear generating organizations (Energy industry)
Geography	<ul style="list-style-type: none"> • North America

While talent market is broader for nuclear talent (including Europe and Middle East), the North American market remains relevant as the primary benchmarking reference

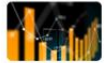
Appendix

Compensation Philosophy

OPG's current guiding principles can be updated

OPG Compensation Philosophy – Guiding Principles

OPG's compensation philosophy utilizes the following guiding principles to design and implement compensation programs that align with the organization's overall strategy and business objectives:



Market Competitive – Drive organization results with a performance orientation that aligns with our business strategy and risk tolerance while taking into consideration affordability, market competitiveness as well as the context and environment in which OPG operates.



Affordable – Demonstrate fiscal conservatism through sustainability, sound financial management and defensibility while supporting the attraction and retention of top talent.



Performance Oriented – Have a strong performance orientation linked to OPG's value creation and results while allowing individual compensation to be meaningfully differentiated based on performance, where appropriate.



Focus on Purpose and Operations – Recognize OPG's role as a significant Ontario employer; encourage long-term employment and development, a culture of trust and respect, and a seamless integration with talent and succession management objectives.



Simple and Transparent – Be simple to understand and administer, sustainable and scalable; communicated in a way that is integrated with messages about other monetary and non-monetary rewards such that the perceived value of all programs meet or exceed program costs.



Fair and Equitable – Internal equity ensures equal pay for work of equal value and is free from discrimination.

OPG



Ontario Power Generation

Total Compensation Benchmarking Study

November 2025

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Introduction

- WTW has provided market total remuneration benchmark results for roles across Ontario Power Generation’s (OPG) Management, PWU and Society employee groups
- Roles have been matched to survey benchmarks and comparator groups based on the underlying skills and responsibilities
 - The majority of roles are compared to a broad comparator group of utility and general industry organizations (“Total Excluding Nuclear Authorized”)
 - A small percentage of roles are compared to a select comparator group reflecting large Nuclear organizations across North America (“Nuclear Authorized”)

of incumbents benchmarked

	Total OPG Count	Total Benchmarked	Total Excluding Nuclear Authorized	Nuclear Authorized	% of OPG Population
PWU	5,407	4,885	4,694	191	51%
Society	3,866	3,737	3,647	90	36%
Mgmt Group	1,328	1,299	1,239	60	13%
OPG Total	10,601	9,921	9,580	341	
<i>% of OPG Population</i>			97%	3%	

% of incumbents benchmarked

	Total OPG Count	Total Excluding Nuclear Authorized	Nuclear Authorized	% of OPG Population
PWU	90%	90%	100%	51%
Society	97%	97%	100%	36%
Mgmt Group	98%	98%	98%	13%
OPG Total	94%	93%	100%	
<i>% of OPG Population</i>		97%	3%	

WTW generally considers benchmarking samples of 60% to be highly representative in the utility industry. 94% of OPG incumbents are in roles covered by this benchmark review

Note: OPG incumbent information as of April 2024

Methodology

Methodology (1/6)

Comparator Groups

- Compensation data have been sourced from WTW's 2024 Compensation Databases for the following comparator groups:
 - **Total Excluding Nuclear Authorized** – 97% of OPG's benchmarked jobs
 - A single comparator group of private and public sector organizations reflecting approximately 75% utility and 25% organizations in adjacent industries with similar complexity and an emphasis on large Ontario employers
 - For Executive positions, the data have been weighted 50% public sector and 50% private sector among the companies in the comparator group
 - The single comparator group approach is common among regulated utilities
 - **Nuclear Authorized** – 3% of OPG's benchmarked jobs
 - Comparator group reflects a sample of 10 large nuclear organizations of a comparable size to OPG, including Bruce Power (Canada) and nine U.S.-based nuclear organizations
 - These roles require federal licensing, specific education and in-depth knowledge in a unique discipline related to the theories, principles and methods associated with nuclear energy including generation, regulation or training. The requirement to apply this professional body of knowledge represents a significant portion of the job and comparable roles are not readily found in Canada
- Pension and benefits data have been sourced from WTW's Benefits Data Source (Canada) for a sample of 17 companies reflecting approximately 75% utility and 25% organizations in adjacent industries, and weighted 50% public sector and 50% private sector organizations for executive positions
 - A single comparator group has been used for executives and non-executives as organizations typically offer common pension and benefit plans across all roles and skill sets
- Companies included in each comparator group are listed in Appendix I
- Further details regarding the pension and benefits benchmarking approach are included in Appendix III

Methodology (2/6)

Benchmark Selection

- Based on job information and profiles from OPG, each OPG role has been matched to a benchmark with a similar level of functional specialty and accountability within WTW's 2024 Compensation Databases where a suitable match was available
 - For nuclear operations roles that are non-authorized (do not have the same federal licensing requirements), no direct matches were available in the Canadian market. However, it is recognized that comparable skill sets reside within energy, utility and other general industry organizations. As such, these jobs were matched to Total Excluding Nuclear Authorized comparators based on similar skills and level of accountability. Based on a supplemental US analysis (details in Appendix II), a +7.5% adjustment was made to the Canadian market statistics for these select roles, reflecting the premium observed in the US market where a critical mass of these skills reside

Methodology (3/6)

Total Remuneration Elements

- Market statistics are reported for the following elements of Total Remuneration (TR):

TR Element	OPG Definition	Market Data Definition
Base Salary	Actual annual salary (annualized for wage-based employees) as of April 2024	Actual annual salary (annualized for wage-based employees) as of April 2024
Total Direct Compensation (TDC)	Salary (as of April 2024) + target bonus (if applicable) + nuclear and/or other applicable allowances of incumbents in benchmark roles + long-term incentives at target for eligible roles	2024 actual reported annual salary + target bonus + nuclear allowances + long-term incentives (if applicable) of incumbents in benchmark roles
Total Remuneration (TR)	Total direct compensation + pension & benefits for eligible employees + paid time off for eligible employees as a % of base salary <ul style="list-style-type: none"> Pension & benefits values reflect employer paid values of pension and benefits as a % of base salary, and are also provided separately Paid time off consists of vacation days and all regular employer-scheduled holidays and employee-scheduled days 	Total direct compensation + pension & benefits for eligible employees + paid time off for eligible employees as a % of base salary <ul style="list-style-type: none"> Pension & benefits values reflect employer paid values of pension and benefits as a % of base salary, and are also provided separately Paid time off consists of vacation days and all regular employer-scheduled holidays and employee scheduled days

- WTW's standard approach is to exclude paid time off (PTO) values from Total Remuneration (defined in this report as Total Remuneration Excluding PTO). To illustrate the impact of PTO on OPG's market positioning given the impact on employee experience and as part of the overall offering to employees, Total Remuneration including PTO is the primary reference of total remuneration in this report (defined in this report as Total Remuneration)

Methodology (4/6)

Market Statistics

- Market statistics reported reflect the 50th and 75th percentiles of the benchmark sample for the data elements included in Total Remuneration:
 - 50th percentile represents the mid-point of the sample, 50% of the data points are positioned below and above this level
 - 75th percentile represents the level where 75% of the data points are positioned below and 25% are positioned above this level. For survey confidentiality purposes, the 75th percentile can only be shown if there are a minimum of five data points in the sample
- For internal compensation management purposes, OPG compares most roles against the 50th percentile of the market
 - However, given the size and complexity of OPG’s site operations relative to the comparator group, OPG compares Nuclear Authorized roles against the 75th percentile, except for senior executive roles which target the 50th percentile
- In its decision in EB-2016-0152, the Ontario Energy Board (OEB) found that “the appropriate comparator for the nuclear authorized group should be the 50th percentile”
 - OPG continues to believe that the 75th percentile is the appropriate market reference for Nuclear Authorized roles below the executive level; therefore, tables included in this report summarize OPG’s positioning against both the 50th percentile and the 75th percentile
- US market data for the Nuclear Authorized comparator group were converted to CAD, consistent with WTW’s practice, using an average annual exchange rate to April 2024 of \$1 USD to \$1.3487 CAD to moderate fluctuations

Methodology (5/6)

Competitive Total Remuneration Benchmarking

- Total remuneration benchmarking focuses on assessing the competitive positioning and not the costs of the programs relative to the market. The cost and value of different elements of remuneration can vary significantly
- Compensation decisions are incumbent / role specific and can be adjusted to take account of the competitive market, whereas benefit programs are designed to cover broad groups of employees rather than individual specific incumbents / roles
 - Total direct compensation (salary + target incentives) values are based on the roles and responsibilities of the employee and represent the cost of the employer of providing the target compensation
 - For pension and benefit values, the individual role is not the primary driver. The design of the benefit programs is company rather than incumbent specific, and both the design and the employer costs will reflect the characteristics and demographics of the particular organization's workforce
 - For example, defined benefit pension values are determined at a plan level and depend on factors such as age, service, actual retirement ages, etc., of the plan members as a whole
 - Unlike annual base salary or a target incentive opportunity, benefit programs cannot be readily adjusted year-over-year
- Given the potential differences between the value provided by programs relative to the cost, the total remuneration values in this report should be interpreted with care and to establish OPG's relative competitiveness against its comparator groups rather than to assess the competitiveness of OPG's costs. It is also important to consider the costs of OPG's total direct compensation and the relative value of its pension & benefit programs separately

Methodology (6/6)

Total Remuneration Benchmark Results Presentation

- The benchmark results are reported by market sample and OPG employee group and are summarized by job family
- All benchmarked OPG roles have been aligned to one of the following job families based on the underlying skill set and benchmarked function:

Job Families	
1. Administration	6. Human Resources
2. Corporate Services	7. Information Technology
3. Engineering	8. Maintenance
4. Environment, Health & Safety	9. Operations
5. Finance	10. Supply Chain

- OPG and market findings reflect the average pay and market statistics for all incumbents benchmarked
- The percentage (%) above or below the market reflects the variance between the sum of OPG's compensation and the sum of market results (i.e., 50th percentile or 75th percentile) for all incumbents benchmarked within the respective job family, OPG Group and comparator group for the data element reported where market data are available

Overview

Overview (1/9)

Observations

- When the nuclear authorized roles are compared to the 50th percentile of the market, OPG's total remuneration is 8.9% above market median and total remuneration excluding PTO is 9.4% above market median
 - Including OPG's Hydro One share grants, OPG's total remuneration is 10.1% above market median and total remuneration excluding PTO is 10.8% above market median
- When the nuclear authorized roles are compared to the 75th percentile of the market, consistent with OPG's compensation philosophy, OPG's total remuneration is 8.1% above the market reference and total remuneration excluding PTO is 8.7% above the market reference
 - Including OPG's Hydro One share grants, OPG's total remuneration is 9.3% above the market reference and total remuneration excluding PTO is 10% above the market reference
- WTW, consistent with standard methodologies, defines competitive market positioning as +/-10% of the target market position
 - This market range reflects the natural variability in market data and allows organizations to manage total remuneration on a competitive basis over time
 - We note that it is common for individual benchmark data to vary from year to year based on factors such as sample size and individual compensation program changes
 - Across most analyses, OPG's overall positioning of total direct compensation and total remuneration are within the competitive range (+/-10%) of the market median

Overview (2/9)

Observations

- There is variation by employee group. OPG's PWU and Society groups within the Total Excluding Nuclear Authorized sample are positioned above the 50th percentile; this potentially reflects the limited ability to negotiate differentiated compensation arrangements by job family with represented employees in order to preserve internal relativity across the represented workforce
 - It is important to assess competitiveness on an overall basis, allowing organizations to manage the trade-offs between different employee groups
 - OPG's total remuneration (which reflects a mix of total direct compensation costs and pension & benefits values) is positioned higher relative to market median than total direct compensation. Total direct compensation at 7.2% above market median (and 8.7% above market median with Hydro One shares) should be considered when assessing cost competitiveness

Overview (3/9)

Total Remuneration Analysis Results (Nuclear Authorized compared to 50th percentile)

- In the summary table below, Nuclear Authorized roles are compared to the 50th percentile of the market
- OPG is positioned relative to market median as follows:
 - Total direct compensation at 7.2% above
 - Total remuneration excluding PTO at 9.4% above
 - Total remuneration at 8.9% above

Segment	# of OPG Matched Incumbents	Base Salary	Total Direct Compensation	Total Remuneration Excluding PTO	Total Remuneration
		% above / below	% above / below	% above / below	% above / below
PWU	4,885	20.5%	13.3%	13.7%	12.2%
Total Exc. Nuc. Auth	4,694	20.3%	12.1%	12.4%	10.9%
Nuclear Authorized	191	23.5%	30.9%	33.5%	33.2%
Society	3,737	26.2%	13.8%	18.7%	19.2%
Total Exc. Nuc. Auth	3,647	28.2%	15.7%	20.6%	21.1%
Nuclear Authorized	90	-13.2%	-19.0%	-15.9%	-15.2%
Management	1,299	-11.5%	-13.6%	-12.9%	-13.8%
Total Exc. Nuc. Auth	1,239	-10.0%	-12.0%	-11.4%	-12.4%
Nuclear Authorized	60	-27.7%	-26.0%	-25.2%	-26.2%
OPG Total	9,921	16.4%	7.2%	9.4%	8.9%

***Note:** In conducting the current review, the definition of compensation provided to PWU Term employees has been revised to include the remittances for union-administered benefit programs provided to the Term employees. WTW revisited the 2020 benchmarking report and recalculated the results to reflect the corrected definition so that a comparison between the two benchmarking reports may be done on a consistent basis. OPG's recalculated total remuneration ("TR") in 2020 is 8.6% above market median ("P50") and recalculated TR excluding PTO is 11.1% above P50. For the PWU segment, recalculated TR is 12.9% above P50 and recalculated TR excluding PTO is 16.9% above P50.

Overview (4/9)

Total Remuneration Analysis Results Including Hydro One Share Grants (Nuclear Authorized compared to 50th percentile)

- Including OPG’s Hydro One share grants, OPG is positioned relative to market median as follows:
 - Total direct compensation at 8.7% above
 - Total remuneration excluding PTO at 10.8% above
 - Total remuneration at 10.1% above
- Annual share grants similar to OPG’s Hydro One share grant are relatively uncommon in the market but have been captured in Total Direct Compensation where provided in the market. Other one-time lump-sum awards (whether in cash or shares) are not captured in WTW’s compensation surveys which could potentially understate the market results

Segment	# of OPG Matched Incumbents	Base Salary	Total Direct Compensation	Total Remuneration Excluding PTO	Total Remuneration
		% above / below	% above / below	% above / below	% above / below
PWU	4,885	20.5%	15.5%	15.7%	14.0%
Total Exc. Nuc. Auth	4,694	20.3%	14.3%	14.3%	12.6%
Nuclear Authorized	191	23.5%	34.5%	36.6%	36.0%
Society	3,737	26.2%	15.4%	20.1%	20.5%
Total Exc. Nuc. Auth	3,647	28.2%	17.3%	22.1%	22.4%
Nuclear Authorized	90	-13.2%	-17.4%	-14.5%	-13.9%
Management	1,299	-11.5%	-13.5%	-12.8%	-13.8%
Total Exc. Nuc. Auth	1,239	-10.0%	-11.9%	-11.4%	-12.3%
Nuclear Authorized	60	-27.7%	-26.0%	-25.1%	-26.1%
OPG Total	9,921	16.4%	8.7%	10.8%	10.1%

*Note: OPG’s recalculated TR in 2020 is 9.9% above P50 and recalculated TR excluding PTO is 12.5% above P50. For the PWU segment, recalculated TR is 14.7% above P50 and recalculated TR excluding PTO is 18.9% above P50.

Overview (5/9)

Total Remuneration Analysis Results (Nuclear Authorized compared to 75th percentile)

- In the summary table below, Nuclear Authorized roles are compared to the 75th percentile of the market, consistent with OPG's compensation philosophy. OPG's market positioning is as follows:
 - Total direct compensation at 6.4% above
 - Total remuneration excluding PTO at 8.7% above
 - Total remuneration at 8.1% above

Segment	# of OPG Matched Incumbents	Base Salary	Total Direct Compensation	Total Remuneration Excluding PTO	Total Remuneration
		% above / below	% above / below	% above / below	% above / below
PWU	4,885	19.2%	12.2%	12.7%	11.3%
Total Exc. Nuc. Auth	4,694	20.3%	12.1%	12.4%	10.9%
Nuclear Authorized	191	4.2%	13.2%	16.6%	16.6%
Society	3,737	25.9%	13.1%	18.0%	18.6%
Total Exc. Nuc. Auth	3,647	28.2%	15.7%	20.6%	21.1%
Nuclear Authorized	90	-17.2%	-26.7%	-23.6%	-23.1%
Management	1,299	-11.9%	-14.2%	-13.6%	-14.4%
Total Exc. Nuc. Auth	1,239	-10.0%	-12.0%	-11.4%	-12.4%
Nuclear Authorized	60	-31.6%	-30.5%	-30.0%	-30.5%
OPG Total	9,921	15.7%	6.4%	8.7%	8.1%

***Note:** OPG's recalculated TR in 2020 is 7.6% above the market reference and recalculated TR excluding PTO is 10.1% above the market reference. For the PWU segment, recalculated TR is 11.4% above the market reference and recalculated TR excluding PTO is 15.4% above the market reference.

Overview (6/9)

Total Remuneration Analysis Results Including Hydro One Share Grants (Nuclear Authorized compared to 75th percentile)

- Including OPG’s Hydro One share grants and comparing Nuclear Authorized roles to the 75th percentile of the market, OPG is positioned relative to market as follows:
 - Total direct compensation at 7.9% above
 - Total remuneration excluding PTO at 10.0% above
 - Total remuneration at 9.3% above

Segment	# of OPG Matched Incumbents	Base Salary	Total Direct Compensation	Total Remuneration Excluding PTO	Total Remuneration
		% above / below	% above / below	% above / below	% above / below
PWU	4,885	19.2%	14.4%	14.7%	13.0%
Total Exc. Nuc. Auth	4,694	20.3%	14.3%	14.3%	12.6%
Nuclear Authorized	191	4.2%	16.4%	19.3%	19.1%
Society	3,737	25.9%	14.8%	19.4%	19.8%
Total Exc. Nuc. Auth	3,647	28.2%	17.3%	22.1%	22.4%
Nuclear Authorized	90	-17.2%	-25.2%	-22.3%	-22.0%
Management	1,299	-11.9%	-14.1%	-13.5%	-14.3%
Total Exc. Nuc. Auth	1,239	-10.0%	-11.9%	-11.4%	-12.3%
Nuclear Authorized	60	-31.6%	-30.4%	-29.9%	-30.4%
OPG Total	9,921	15.7%	7.9%	10.0%	9.3%

***Note:** OPG’s recalculated TR in 2020 is 8.9% above the market reference and recalculated TR excluding PTO is 11.5% above the market reference. For the PWU segment, recalculated TR is 13.1% above the market reference and recalculated TR excluding PTO is 17.3% above the market reference.

Overview (7/9)

Impact of Pension, Benefits & PWU Terms Incumbent Changes since April 2024

- OPG implemented changes to the pension plans for PWU and Society employees and to the benefits plans for management employees
 - Pension plan changes include increasing the required service and age for unreduced pension to 85 points (from 82 points) and averaging pensionable earnings over 5 years instead of 3 years
 - Benefits plan changes for management employees to align more closely to the benefits provided to represented employees
- In 2024, OPG hired approximately two-thirds of PWU Term employees into full-time positions (decreased PWU Terms from 986 to 323)
- The table below summarizes OPG’s total remuneration competitive positioning reflecting these changes

- These changes reduce Total Remuneration excluding PTO positioning from 9.4% to 8.7% above market median and Total Remuneration positioning reduces from 8.9% to 8.3% above market median
- When the nuclear authorized roles are compared to the 75th percentile of the market, OPG’s Total Remuneration excluding PTO reduces from 8.7% to 7.9% above the market reference and Total Remuneration positioning reduces from 8.1% to 7.5% above the market reference

Segment	# of OPG Matched Incumbents	Base Salary	Total Direct Compensation	Total Remuneration Excluding PTO	Total Remuneration
		% above / below	% above / below	% above / below	% above / below
PWU	4,885	18.0%	11.0%	12.5%	11.4%
Total Exc. Nuc. Auth	4,694	17.7%	9.7%	11.2%	10.1%
Nuclear Authorized	191	23.5%	30.9%	32.6%	32.4%
Society	3,737	26.2%	13.8%	17.7%	18.4%
Total Exc. Nuc. Auth	3,647	28.2%	15.7%	19.7%	20.3%
Nuclear Authorized	90	-13.2%	-19.0%	-16.5%	-15.8%
Management	1,299	-11.5%	-13.6%	-12.7%	-13.6%
Total Exc. Nuc. Auth	1,239	-10.0%	-12.0%	-11.2%	-12.1%
Nuclear Authorized	60	-27.7%	-26.0%	-25.0%	-26.0%
OPG Total	9,921	15.3%	6.2%	8.7%	8.3%

Note: Projected impact results exclude OPG’s Hydro One share grants. Nuclear Authorized employees compared to the 50th percentile

Overview (8/9)

Benefits, Pension and Paid Time Off

- The table below illustrates the weighted average employer-provided values (expressed as a % of base salary) of pension and benefits, paid time off and entire benefits (includes combined pension and benefits and paid time off values) at OPG and compares these values to the 50th percentile of the market, recognizing that values vary across demographic, tenure and age profiles
- The employer-provided value of OPG’s entire benefits is positioned below the 50th percentile of market for the Management group and above the 50th percentile for Society and PWU groups
 - The employer-provided value of OPG’s pension and benefits is positioned above the 50th percentile for all employee groups
 - The employer-provided value of OPG’s paid time off is positioned below the 50th percentile for all employee groups

OPG Group	Pension & Benefits (% of base salary)		Paid Time Off (% of base salary)		Entire Benefits (% of base salary)	
	OPG	Market P50	OPG	Market P50	OPG	Market P50
PWU	17.9%	15.5%	13.6%	14.5%	31.5%	30.9%
Society	20.1%	17.2%	14.3%	14.7%	34.4%	32.0%
Management	16.4%	15.9%	13.4%	14.3%	29.8%	31.5%

Overview (9/9)

Overtime Analysis

- Overtime is not captured in total remuneration benchmarking as overtime costs are a factor of overtime usage, and usage is not generally captured in compensation surveys. The typical benchmarking approach is to focus on overtime design (e.g., rate, when applied and the form)
- WTW’s 2024 General Industry Compensation Policies and Practices Survey captures overtime policies and practices which are summarized in the table below
- OPG’s overtime elements are generally aligned with energy sector market practice
 - As energy and utility organizations comprise the majority of OPG’s comparators, the energy sector was seen to be the most appropriate market reference for overtime practices and policies

Element	PWU	Society	Market
Rate	Typically 2x	Typically 2x	<ul style="list-style-type: none"> • Energy Services market is split between 1.5x and 2.0x overtime rate across all time conditions • 1.5x is the most common rate in the General Industry market
When applied	On a daily basis, beyond scheduled hours*	On a daily basis, beyond scheduled hours*	<ul style="list-style-type: none"> • Typically applied on a weekly basis • Most prevalent minimum hours worked before overtime is applied is 40 hours

*as provided by OPG

Total Remuneration Analysis Results by Job Family

Note: Total Results by Job Family exclude OPG's Hydro One share grants

Total Results by Job Family (Excluding Nuclear Authorized) (1/4)

Overview

Job Family Distribution

- Benchmarked incumbents within PWU are primarily within the Maintenance (54%) and Operations (32%) job families
- Benchmarked incumbents span all ten job families within the Society Group with the majority within Engineering (47%) and Operations (17%)
- Benchmarked incumbents also span ten job families within the Management Group with the majority in Engineering (23%) and Operations (19%)

Market Positioning against the 50th percentile

- Total Direct Compensation positioning varies by OPG Group and Job Family:
 - The PWU and Society Groups are above the competitive market range
 - The Management Group is below the competitive market range
- Total Remuneration positioning varies by OPG Group and Job Family:
 - The PWU and Society Groups are above the competitive market range
 - The Management Group is below the competitive market range

Note: Total Results by Job Family exclude OPG's Hydro One share grants

Total Results by Job Family (Excluding Nuclear Authorized) (2/4)

PWU

Total Excluding Nuclear Authorized
 OPG Group: PWU

Job Family	# OPG Matched Incumbents	Base Salary					Total Direct Compensation					Total Remuneration				
		Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)
Administration	261	\$79	\$68	16.4%	\$80	-1.3%	\$79	\$71	12.3%	\$85	-6.6%	\$99	\$91	8.9%	\$107	-7.3%
Corporate Services	18	\$111	\$78	41.8%	\$85	31.0%	\$111	\$84	31.9%	\$91	22.2%	\$144	\$108	33.7%	\$116	24.1%
Engineering	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental Health and Safety	167	\$115	\$95	21.2%	\$118	-2.4%	\$115	\$103	12.2%	\$123	-6.3%	\$147	\$131	11.9%	\$154	-4.3%
Finance	77	\$92	\$68	36.5%	\$86	7.4%	\$92	\$72	27.6%	\$87	5.5%	\$116	\$92	25.4%	\$109	6.4%
Human Resources	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Information Technology	80	\$109	\$80	35.8%	\$102	6.9%	\$109	\$86	25.9%	\$111	-2.5%	\$141	\$111	27.6%	\$137	2.6%
Maintenance	2517	\$126	\$107	17.3%	\$122	2.5%	\$126	\$113	10.9%	\$130	-3.6%	\$159	\$146	9.0%	\$166	-3.8%
Operations	1508	\$128	\$104	23.2%	\$120	6.2%	\$128	\$114	11.8%	\$126	1.3%	\$163	\$146	11.6%	\$161	1.6%
Supply Chain	66	\$111	\$69	60.8%	\$83	34.6%	\$111	\$72	53.7%	\$86	28.8%	\$143	\$93	53.3%	\$109	31.5%
Average Positioning				20.3%		3.9%			12.1%		-1.7%			10.9%		-1.5%

Total Results by Job Family (Excluding Nuclear Authorized) (3/4)

Society

Total Excluding Nuclear Authorized
 OPG Group: Society

Job Family	# OPG Matched Incumbents	Base Salary					Total Direct Compensation					Total Remuneration				
		Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)
Administration	33	\$127	\$85	49.3%	\$97	30.5%	\$127	\$93	35.9%	\$105	20.5%	\$168	\$120	40.0%	\$134	25.3%
Corporate Services	92	\$141	\$103	36.3%	\$116	21.7%	\$141	\$115	22.8%	\$127	11.1%	\$189	\$147	28.5%	\$162	16.7%
Engineering	1577	\$134	\$113	18.2%	\$122	9.1%	\$134	\$124	7.5%	\$138	-3.1%	\$179	\$160	12.0%	\$177	1.4%
Environmental Health and Safety	206	\$146	\$116	25.6%	\$126	15.1%	\$146	\$129	12.9%	\$140	4.1%	\$197	\$166	18.4%	\$180	9.1%
Finance	275	\$147	\$107	36.7%	\$117	25.1%	\$147	\$123	19.3%	\$137	7.2%	\$199	\$158	26.2%	\$175	13.9%
Human Resources	70	\$115	\$81	42.2%	\$89	29.6%	\$115	\$89	29.2%	\$99	15.9%	\$150	\$114	31.7%	\$126	19.1%
Information Technology	297	\$145	\$110	32.1%	\$121	19.2%	\$145	\$122	18.2%	\$137	5.7%	\$197	\$158	24.6%	\$175	12.0%
Maintenance	345	\$165	\$117	41.4%	\$125	32.5%	\$165	\$130	27.2%	\$143	15.3%	\$226	\$168	34.3%	\$185	21.9%
Operations	614	\$150	\$110	36.9%	\$119	25.8%	\$150	\$122	23.2%	\$134	12.2%	\$204	\$157	29.6%	\$172	18.2%
Supply Chain	138	\$138	\$100	38.1%	\$110	25.7%	\$138	\$110	25.9%	\$120	15.2%	\$186	\$142	31.0%	\$155	20.0%
Average Positioning				28.2%		17.9%			15.7%		4.6%			21.1%		9.9%

Total Results by Job Family (Excluding Nuclear Authorized) (4/4)

Management

Total Excluding Nuclear Authorized
 OPG Group: Management

Job Family	# OPG Matched Incumbents	Base Salary					Total Direct Compensation					Total Remuneration				
		Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)
Administration	83	\$63	\$78	-19.1%	\$85	-26.1%	\$67	\$84	-20.4%	\$92	-27.3%	\$86	\$111	-22.5%	\$120	-28.4%
Corporate Services	128	\$164	\$179	-8.8%	\$197	-17.1%	\$224	\$249	-10.2%	\$299	-25.1%	\$274	\$306	-10.5%	\$360	-23.9%
Engineering	287	\$156	\$183	-14.3%	\$200	-22.0%	\$203	\$245	-17.2%	\$292	-30.6%	\$249	\$301	-17.4%	\$352	-29.3%
Environmental Health and Safety	94	\$145	\$156	-6.7%	\$173	-15.9%	\$186	\$201	-7.3%	\$238	-21.8%	\$229	\$249	-8.1%	\$290	-20.9%
Finance	105	\$163	\$168	-2.8%	\$192	-15.2%	\$222	\$233	-4.7%	\$285	-22.3%	\$272	\$286	-4.8%	\$342	-20.6%
Human Resources	151	\$111	\$126	-11.5%	\$138	-19.5%	\$139	\$154	-9.8%	\$177	-21.8%	\$171	\$193	-11.6%	\$219	-22.1%
Information Technology	28	\$160	\$171	-6.5%	\$186	-14.2%	\$214	\$234	-8.4%	\$276	-22.5%	\$262	\$287	-8.6%	\$333	-21.3%
Maintenance	93	\$159	\$185	-14.0%	\$202	-21.2%	\$209	\$254	-17.8%	\$295	-29.3%	\$256	\$311	-17.8%	\$356	-28.1%
Operations	241	\$171	\$183	-6.5%	\$206	-17.2%	\$234	\$259	-9.6%	\$316	-25.8%	\$287	\$316	-9.5%	\$378	-24.1%
Supply Chain	29	\$162	\$177	-8.5%	\$198	-18.4%	\$214	\$242	-11.6%	\$286	-25.1%	\$262	\$297	-11.7%	\$344	-23.8%
Average Positioning				-10.0%		-18.9%			-12.0%		-26.3%			-12.4%		-25.0%

Nuclear Authorized Results by Job Family (1/4)

Overview

Job Family Distribution

- The Operations job family represents 100% of benchmarked roles within all nuclear authorized benchmarked roles

Market Positioning against the 50th percentile

- Relative to the Nuclear Authorized sample, Total Direct Compensation and Total Remuneration positioning relative to market varies by OPG Group:
 - The PWU Group is positioned above the competitive range
 - The Society and Management Groups are positioned below the competitive range

Note: Total Results by Job Family exclude OPG's Hydro One share grants and includes PTO

Nuclear Authorized Results by Job Family (2/4)

PWU

Total Nuclear Authorized
 OPG Group: PWU

Job Family	# OPG Matched Incumbents	Base Salary					Total Direct Compensation					Total Remuneration				
		Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)
Administration	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Corporate Services	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Engineering	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental Health and Safety	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Finance	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Human Resources	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Information Technology	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Maintenance	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Operations	191	\$190	\$154	23.5%	\$183	4.2%	\$225	\$172	30.9%	\$198	13.2%	\$297	\$223	33.2%	\$254	16.6%
Supply Chain	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Average Positioning				23.5%		4.2%			30.9%		13.2%			33.2%		16.6%

Nuclear Authorized Results by Job Family (3/4)

Society

Total Nuclear Authorized
 OPG Group: Society

Job Family	# OPG Matched Incumbents	Base Salary					Total Direct Compensation					Total Remuneration				
		Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)
Administration	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Corporate Services	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Engineering	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental Health and Safety	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Finance	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Human Resources	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Information Technology	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Maintenance	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Operations	90	\$199	\$229	-13.2%	\$240	-17.2%	\$231	\$285	-19.0%	\$315	-26.7%	\$306	\$360	-15.2%	\$397	-23.1%
Supply Chain	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Average Positioning				-13.2%		-17.2%			-19.0%		-26.7%			-15.2%		-23.1%

Nuclear Authorized Results by Job Family (4/4)

Management

Total Nuclear Authorized
 OPG Group: Management

Job Family	# OPG Matched Incumbents	Base Salary					Total Direct Compensation					Total Remuneration				
		Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)	Avg. OPG	Avg. P50	P50 (% +/-)	Avg. P75	P75 (% +/-)
Administration	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Corporate Services	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Engineering	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental Health and Safety	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Finance	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Human Resources	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Information Technology	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Maintenance	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Operations	60	\$222	\$307	-27.7%	\$333	-33.4%	\$423	\$572	-26.0%	\$663	-36.1%	\$497	\$673	-26.2%	\$775	-35.9%
Supply Chain	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Average Positioning				-27.7%		-33.4%			-26.0%		-36.1%			-26.2%		-35.9%

Appendices

- I. Comparator Organizations
- II. Non-Authorized Nuclear Operations Market Analysis
- III. Pension and Benefits Valuation

Comparator Organizations (1/4)

Executives (Excluding Nuclear Authorized)

Comparator Organizations Executives (n = 41)		
<i>Private Sector n= 30</i>		
Air Canada	Canfor Corporation	MEG Energy
Alcoa	Capital Power	NOVA Chemicals
Algonquin Power & Utilities	Cascades	Ovintiv
AltaGas	Emera	Pembina Pipeline
ARC Resources	Fortis	Secure Energy Services
Barrick Gold	Gibson Energy	Strathcona Resources
Bombardier	Hydro One	TC Energy
Bruce Power	Irving Oil	Teck Resources
Canadian National Railway	Keyera Corp.	Veren Inc.
Canadian Pacific Kansas City	Kinross Gold	WSP
<i>Public Sector n= 11</i>		
Alberta Electric System Operator	EPCOR Utilities	Ontario Teachers' Pension Plan Board
British Columbia Hydro and Power Authority	Hydro-Québec	Trans Mountain
Canadian Nuclear Laboratories	Independent Electricity System Operator	Workplace Safety and Insurance Board
Enmax Corporation	Investment Management Corporation of Ontario	

Percentile Statistics	Revenue (\$CAD)
75 th Percentile	\$12,776,000,000
50 th Percentile	\$5,741,232,152
25 th Percentile	\$3,905,500,000
Ontario Power Generation	\$7,434,000,000
Percent Rank	54P

Comparator Organizations (2/4)

Non-Executives (Excluding Nuclear Authorized)

Comparator Organizations Non-executives (n = 55)		
Private Sector n= 40		
Air Canada	Capital Power	Ovintiv
Alcoa	Cenovus Energy	Parkland Corporation
Algonquin Power & Utilities	Emera	Pembina Pipeline
AltaGas	Enbridge	Precision Drilling
ARC Resources	Fortis	Secure Energy Services
AtkinsRéalis	Gibson Energy	Strathcona Resources
Barrick Gold	Hydro One	Suncor Energy
Bell Canada	Imperial Oil	TC Energy
Bombardier	Innergex Renewable Energy	Teck Resources
Boralex	Irving Oil	TransAlta Corporation
Bruce Power	Keyera Corp.	Veren Inc.
Canadian National Railway	Kinross Gold	WSP
Canadian Natural Resources	MEG Energy	
Canadian Pacific Kansas City	NOVA Chemicals	
Public Sector n= 15		
Alberta Electric System Operator	EPCOR Utilities	OMERS
British Columbia Hydro and Power Authority	Export Development Canada	Ontario Teachers' Pension Plan Board
Business Development Bank of Canada	Hydro-Québec	OPSEU Pension Trust
Canadian Nuclear Laboratories	Independent Electricity System Operator	Trans Mountain
Enmax Corporation	Investment Management Corporation of Ontario	Workplace Safety and Insurance Board

Percentile Statistics	Revenue (\$CAD)
75 th Percentile	\$14,737,323,280
50 th Percentile	\$7,053,126,000
25 th Percentile	\$3,355,000,000
Ontario Power Generation	\$7,434,000,000
Percent Rank	51P

Comparator Organizations (3/4)

Nuclear Authorized – Executives and Non-Executives

Comparator Organizations Nuclear Authorized - Executives and Non-Executives (n = 10)	
Bruce Power	FirstEnergy
Dominion Energy	NextEra Energy Inc.
Duke Energy	Public Service Enterprise Group
Entergy	Southern Company Services
Exelon	Tennessee Valley Authority

Percentile Statistics	Revenue (\$USD)
75 th Percentile	\$26,683,500,000
50 th Percentile	\$14,393,000,000
25 th Percentile	\$11,692,206,000
Ontario Power Generation	\$7,434,000,000
Percent Rank	4P

Comparator Organizations (4/4)

Pension & Benefits Analysis

Pension and Benefits Comparator Organizations (n=17)			
#	Private Sector Organizations	#	Public Sector Organizations
1	Bruce Power	9	British Columbia Hydro and Power Authority
2	Candu Energy	10	ENMAX Corporation
3	Hydro One	11	EPCOR Utilities
4	Kinross Gold	12	Hydro-Québec
5	Northland Power	13	Independent Electricity System Operator
6	Scotiabank	14	Ontario Public Service
7	TC Energy	15	SaskPower
8	TransAlta Corporation	16	Toronto Hydro Electric Systems
		17	Workplace Safety and Insurance Board

Non-Authorized Nuclear Operations Market Analysis

- To assess whether base salaries in the Total Sample (excluding Nuclear Authorized) are different relative to the Nuclear Authorized Sample for similar skills sets and levels of accountability, the following analysis was performed:
 - Comparison of relative job rates between select US utilities and nuclear organizations to understand whether nuclear roles within the US are paid differently than utility roles in the US (for roles reflecting comparable skills and level of accountability)
 - Comparison of relative job rates between the Canadian Total Sample (excluding Nuclear Authorized) comparator group (used for the benchmark review) and the US nuclear comparator group to assess whether there is any differentiation between these two markets (for roles reflecting comparable skills and level of accountability)
- The analysis indicated that for many roles and levels of work, salaries are comparable between these sectors. However, for nuclear operations roles at select career levels (e.g., technician, supervisory), base salaries are observed to carry an average premium of 7.5% relative to their non-nuclear counterparts. As such, where comparisons for non-authorized roles in nuclear facilities have been made to the Canadian Total Sample (excluding Nuclear Authorized), market data for these levels is adjusted by 7.5% to reflect this identified premium for such roles

Pension and Benefits Valuation (1/3)

Methodology

- Pension and benefits information was obtained from WTW's Benefits Data Source (Canada) based on a comparator group of public and private sector organizations and is weighted 50%/50% for executive positions
 - The same comparator group has been used for executives and non-executives as organizations typically offer common pension and benefit plans across all roles and skill sets
- Comparator organizations are selected based on data availability
- Across participating organizations, plan provisions valued apply to newly hired salaried non-union employees; benefits no longer available to new hires are not considered
- Results are based on the benefits data and information provided to WTW by participating organizations, including: defined benefit pension, defined contribution pension, savings (including stock purchase, group RRSP, DPSP), active and retiree health care, active dental care, short-term disability, long-term disability and active death benefits
 - This information was supplemented by publicly available information such as management proxy circulars for the purpose of valuing the pension plans of executive profiles
 - To benchmark the PWU and Society incumbents, only organizations with hourly-non-union employees or those who offer their hourly-union employees with the same or similar pension & benefit plans as their non-unionized plans were considered
- WTW determines a value for these benefits by applying the same methodology and a common set of assumptions to each employee profile applicable to Executives, non-executive Management, PWU, and Society

Pension and Benefits Valuation (2/3)

Pension Plans

- The methodology quantifies the provisions offered by each peer organization to determine the value to employees of each organization's benefits program
 - Values are not intended to represent actual plan costs
- The employer-provided pension and savings plan values are determined as follows:
 - A. Defined Benefit (DB) Plans**
 - The following elements are considered in determining comparative values for DB pension plans: normal and early retirement benefits, post-retirement death benefits, termination benefits, post-retirement pension adjustments and employee contributions
 - Plans are valued in terms of anticipated prospective benefit payments being allocated over the employee's entire working history (the service prorate method to determined projected unit credit)
 - For executives, bridge benefits were not considered since these benefits are relatively low in comparison with the total pension benefit of high earners and information available on these benefits is limited
 - B. Defined Contribution (DC) and Savings Plans**
 - Plans are valued by determining employee and employer contributions made during the year of valuation (term cost method)
 - Employees are deemed to contribute in such a way that reflects their savings opportunity and ability to contribute; contributions will be different depending on available income, on the level of contributions permitted in the plan, and on the level of employer matching

Pension and Benefits Valuation (3/3)

Benefit Plans

- The employer-provided benefit plan values are determined as follows:
 - A. Health Care and Dental Plans**
 - Health care values are generated for pre-retirement and post-retirement coverage and dental care is generated for pre-retirement coverage (using the projected unit credit with service prorate method). Postretirement values and retiree contributions have been increased to reflect future inflation; however, deductibles under post-retirement health care plans are assumed to remain at the current level in the future
 - Values are determined using recent claims experience for large organizations taking into account plan deductibles, co-insurance and maximums as well as eligibility requirements
 - B. Disability Plans**
 - Short-term disability benefits (including salary continuance and sickness plans) and long-term disability benefits have been valued
 - Values are determined according to specific plan provisions, including waiting periods and benefits co-ordination
 - C. Death Benefit Plans**
 - Values for the following benefits have been calculated: pre-retirement group life insurance, and accidental death and dismemberment benefits
 - D. Flexible Benefits (other than Pension)**
 - Values are determined based on the highest enrolled option for each plans

Ontario Power Generation

Comparison of 2024 Salary Schedules for PWU
and Society roles (OPG vs Bruce Power)

April, 2025



2024 Base Salary Comparison | Power Worker's Union Roles (PWU)

OPG Band	Job Titles	April 2024 Headcount	Hourly				Yearly			
			OPG (As of April 1, 2024)	Bruce Power (As of Jan 1, 2024)	Difference (OPG - Bruce Power)		OPG 2024	Bruce Power 2024	Difference (OPG - Bruce Power)	
					\$ Per Hour	% Per Hour			\$ Per Year	% Per Year
Authorized	Authorized Nuclear Operator (including Trainees, excluding supervisors)	172	\$87.16	\$95.64	-\$8.48	-10%	\$181,791	\$199,478	-\$17,687	-10%
	Certified Unit 0 Control Room Operator (including Trainees)	19	\$78.42	\$86.07	-\$7.65	-10%	\$163,562	\$179,517	-\$15,956	-10%
Band 3	Nuclear Operator (including Trainees)	603	\$65.88	\$81.25	-\$15.37	-23%	\$137,407	\$169,464	-\$32,057	-23%
	Electrical & Control Techn & Technologists / Shift Control Technician	839	\$65.88	\$79.82	-\$13.94	-21%	\$137,407	\$166,478	-\$29,071	-21%
	Mechanical Technician & Technologist / Mechanical Maintainer	768	\$65.88	\$79.58	-\$13.70	-21%	\$137,407	\$165,981	-\$28,574	-21%
	Chemical Technician / Chemical Technologist	83	\$65.88	\$72.47	-\$6.59	-10%	\$137,407	\$151,151	-\$13,744	-10%
	Planning & Cost Control Technician / Cost & Scheduling Technician	45	\$65.88	\$73.35	-\$7.47	-11%	\$127,101	\$133,868	-\$6,767	-5%
	Quality Technician I E&C	1 29	\$65.88	\$71.56	-\$5.68	-9%	\$130,537	\$149,248	-\$18,711	-14%
Band 2	Civil & Service Trades Maintainers / Civil Maintainer I	481	\$51.24	\$72.99	-\$21.75	-42%	\$106,872	\$152,236	-\$45,364	-42%
	Civil & Service Trades Maintainers / Civil Maintainer II		\$51.24	\$68.36	-\$17.12	-33%	\$106,872	\$142,579	-\$35,707	-33%
	Nuclear Security Officer	n/a	\$51.24	\$56.97	-\$5.73	-11%	\$106,872	\$118,823	-\$11,951	-11%
	Emergency Response Maintainer / Emergency Services Maintainer	106	\$51.24	\$65.76	-\$14.52	-28%	\$106,872	\$137,157	-\$30,285	-28%
	Office Support Representative II / Administrative Assistant - Clerk I (Admin)	204	\$51.24	\$67.16	-\$15.92	-31%	\$93,513	\$122,569	-\$29,056	-31%
	Finance Clerk / Payroll & Accounting Services Specialist	58	\$51.24	\$69.66	-\$18.42	-36%	\$93,513	\$127,138	-\$33,625	-36%
Band 1	Office Support Representative I / Clerk II	8	\$42.10	\$50.84	-\$8.74	-21%	\$76,833	\$92,787	-\$15,955	-21%
Totals & Simple Average		3,415	\$60.69	\$72.77	-\$12.07	-21%	\$122,931	\$147,232	-\$24,301	-21%
Totals & Weighted Average		3,415	\$63.33	\$77.79	-\$14.47	-24%	\$130,836	\$160,620	-\$29,784	-24%

Notes:

1. Project Technician - E&C / Project Tech II - E&C has been updated to Quality Technician I E&C

- OPG collective agreement provides salary schedules by band, whereas the Bruce Power agreement is on a role basis. Prior to the introduction of skill broadening, OPG utilized a salary schedule that was structured 365.25-day Bruce Power. Therefore, comparisons are on a best effort basis by matching jobs at Bruce Power to those previously used by OPG and which continue to be used today in a broader capacity
- Annualized salary is calculated based on a 365.25-day year
- n/a = not available due to security reasons

Sources:

- Bruce Power and PWU wage schedules as of September 4, 2024 | Revised on October 31, 2024
- OPG and PWU wage schedules as of April 1, 2024 | Revised on November 29, 2024

2024 Base Salary Comparison | Society of United Professionals

OPG Band	Sample Job Titles	April 2024 Headcount	Weekly				Yearly			
			OPG (As of Jan 1, 2024)	Bruce Power (As of Jan 1, 2024)	Difference (OPG - Bruce Power)		OPG 2024	Bruce Power 2024	Difference (OPG - Bruce Power)	
					\$ Per Week	% Per Week			\$ Per Year	% Per Year
Authorized	Shift Supervisor In Training	27	\$3,728.91	\$4,108.00	-\$379.09	-10%	\$194,436	\$214,203	-\$19,767	-10%
	Control Room Shift Supervisor, Training Supervisor	35	\$4,169.28	\$5,015.00	-\$845.72	-20%	\$217,398	\$261,496	-\$44,098	-20%
MP6 - 40 Hr	Section Manager Outage, Real Time Markets Supv (Shift)	9	\$3,772.92	\$4,103.00	-\$330.08	-9%	\$196,731	\$213,942	-\$17,211	-9%
MP5 - 40 Hr	Project Site Supervisor, Real Time Markets Specialist (Shift)	23	\$3,539.07	\$3,849.00	-\$309.93	-9%	\$184,537	\$200,698	-\$16,161	-9%
MP4 - 40 Hr	FLM, Control/Mechanical / Trades Mgmt Supv, Hydroelectric	197	\$3,319.59	\$3,609.00	-\$289.41	-9%	\$173,093	\$188,184	-\$15,091	-9%
MP3 - 40 Hr	FLM, Civil Maintenance	19	\$3,112.79	\$3,384.00	-\$271.21	-9%	\$162,310	\$176,451	-\$14,142	-9%
MP6 - 35 Hr	Section Head Information Systems, Senior Performance Improvement Officer	31	\$3,220.98	\$3,503.00	-\$282.02	-9%	\$167,951	\$182,656	-\$14,705	-9%
MP5 - 35 Hr	Sr Engineer/Scientist - Specialist	63	\$3,020.55	\$3,286.00	-\$265.45	-9%	\$157,500	\$171,341	-\$13,841	-9%
MP4 - 35 Hr	Senior Technical Engineer/Officer , Eng/Applied Science Trainee	495	\$2,832.86	\$3,081.00	-\$248.14	-9%	\$147,713	\$160,652	-\$12,939	-9%
MP3 - 35 Hr	Assistant Procurement Specialist, Financial Analyst	16	\$2,657.88	\$2,890.00	-\$232.12	-9%	\$138,589	\$150,693	-\$12,103	-9%
MP2 - 35 Hr	Materials Co-Ordinator, Support Specialist	14	\$2,492.48	\$2,711.00	-\$218.52	-9%	\$129,965	\$141,359	-\$11,394	-9%
Totals & Simple Average		929	\$3,260.66	\$3,594.45	-\$333.79	-10%	\$170,020	\$187,425	-\$17,405	-10%
Totals & Weighted Average		929	\$3,062.32	\$3,349.91	-\$287.59	-9%	\$159,678	\$174,674	-\$14,996	-9%

Sources:

- Bruce Power and Society as of January 1, 2024
- OPG and Society as of January 1, 2024 | Revised on December 18, 2023



November, 2025

Ontario Power Generation

OEB benchmarking – Tenure analysis

Ontario Power Generation (“OPG”) requested WTW’s support in assessing how its employees’ average tenure compares to the average tenure in the market as of April 1, 2024*.

OPG data reflect full-time employees in OPG’s PWU and Society groups in roles matched to the Total excluding Nuclear Authorized Sample where there are sufficient tenure market data to report.

Market data have been sourced from WTW’s proprietary compensation data base and reflect the average of median tenure data reported by benchmark. Data are summarized for each group.

Findings and Observations

OPG’s average tenure is higher than the market. The majority of OPG’s employees have longer tenure than observed in the market (above the 75th percentile). We observe some variability by job family and salary level within each group.

Table 1 – Tenure summary by Employee Group

OPG Band	#Ees	Average Tenure		% of Employees						
		OPG	Market**	Below P25	P25	Between P25 and P50	P50	Between P50 and P75	P75	Above P75
Society	2,097	10	5	29%	4%	3%	4%	5%	3%	52%
PWU	2,358	14	8	15%	5%	14%	2%	3%	1%	60%
Total	4,455	12	7	22%	4%	9%	3%	4%	2%	56%

* WTW was not asked to assess the relationship between tenure and compensation levels.

** Average market tenure reflects the average of median tenure data reported for each benchmark included in the analysis.