

Burlington Hydro Inc. Compensation Review – Summary Table (Includes CEO)

CONFIDENTIAL

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Burlington **hydro** inc.

Background

- Hay Group has been asked to produce aggregate market tables for purposes of review by the OEB based upon a report produced in November 2011
- The data is proprietary and is deemed strictly confidential
- Hay Group uses the following standard terms for the compensation elements analyzed:
 - Actual Base Salary
 - Actual/Target Total Cash (Actual Base Salary + Actual/Target Short Term Incentive)
 - Actual/Target Total Direct compensation (Actual/Target Total Cash + Present Value of Mid/Long Term Incentives)
 - Actual/Target Total Remuneration (Actual/Target Total Direct + Benefit Value)
 - P75 (75th Percentile): the point below which 75% of all observations fall
 - Median, P50 (50th Percentile): the point with an equal number of larger and smaller observations
 - P25 (25th Percentile): the point below which 25% of all observations fall
 - Average: the arithmetic mean of all observation values

Background

- There were 2 markets used in this analysis taken from the 2011 Hay Group database
 - 1) The “All Industrial Market” was a broad market composed of 359 organizations focused on the industrial sector and includes natural resources, chemicals, construction and materials, consumer durables, fast moving consumer goods, high technology, industrial goods, leisure and hospitality, media, oil and gas, life sciences, retail, services, telecommunications, transportation, and utilities.
 - 2) The “Selected Utilities Market” was composed of 24 utilities

Summary Compensation Table

Compensation element	Level	Average BHI	ALL INDUSTRIAL MARKET					SELECTED UTILITIES MARKET				
			P75	P50	P25	Variance from P50	Market Position	P75	P50	P25	Variance from P50	Market Position
Actual Salary	Executive (including CEO)	148,700	197,900	171,900	150,900	-13%	<P25	193,400	172,900	154,000	-14%	<P25
	Manager	94,200	97,000	85,500	75,500	10%	P69	102,500	91,900	83,900	3%	P55
	Professional / Admin	69,100	69,300	60,600	53,100	14%	P74	77,900	69,200	62,100	0%	P50
Actual Total Cash	Executive (including CEO)	100,500	258,700	210,200	174,700	-19%	<P25	193,400	172,900	154,000	-14%	<P25
	Manager	100,500	107,000	91,800	79,600	9%	P64	102,500	91,900	83,900	3%	P55
	Professional / Admin	72,500	74,200	63,300	54,800	15%	P71	77,900	69,200	62,100	0%	P50
Actual Total Direct	Executive (including CEO)	170,700	307,900	242,200	184,600	-30%	<P25	251,200	208,600	169,000	-18%	P26
	Manager	100,500	107,700	92,100	79,600	9%	P63	108,100	96,600	86,300	4%	P58
	Professional / Admin	72,500	74,500	63,300	54,800	15%	P71	80,300	71,600	64,000	1%	P53
Actual Total Remuneration	Executive (including CEO)	209,000	372,400	287,000	219,300	-27%	<P25	293,500	243,900	201,000	-14%	P30
	Manager	119,300	130,000	108,800	93,800	10%	P62	132,400	114,200	103,100	4%	P57
	Professional / Admin	87,100	90,100	76,200	66,200	14%	P70	99,700	86,500	75,200	1%	P51
Target Total Cash	Executive (including CEO)	178,100	253,200	216,500	187,500	-18%	<P25	236,800	211,300	171,400	-16%	P29
	Manager	103,700	108,600	94,000	81,800	10%	P67	108,800	96,900	87,000	7%	P64
	Professional / Admin	74,500	75,300	64,300	55,800	16%	P73	80,800	72,000	64,700	3%	P57
Target Total Direct	Executive (including CEO)	178,100	305,300	247,400	196,500	-28%	<P25	240,800	211,400	171,400	-16%	P29
	Manager	103,700	109,200	94,200	81,900	10%	P66	108,800	96,900	87,000	7%	P64
	Professional / Admin	74,500	75,400	64,300	55,800	16%	P73	80,800	72,000	64,700	3%	P57
Total Benefit Value	Executive (excluding CEO)	38,300	50,200	38,400	29,000	0%	P50	50,200	39,600	29,800	-3%	P47
	Manager	18,700	19,800	15,600	11,800	20%	P68	22,100	18,700	15,800	0%	P50
	Professional / Admin	14,600	15,000	12,000	9,200	22%	P72	16,800	14,500	11,900	1%	P51
Target Total Remuneration	Executive (including CEO)	388,300	388,300	292,800	227,800	-26%	<P25	284,800	248,400	202,000	-13%	P33
	Manager	132,200	132,200	110,100	95,700	11%	P64	132,100	115,600	103,500	6%	P60
	Professional / Admin	90,800	90,800	76,700	66,900	16%	P72	99,900	87,100	75,800	2%	P54