

UNDERTAKING J9.11

Undertaking

To provide evidence that would allow the Board to know or quantify moving OPG from where it currently stands to the 50th percentile.

Response

OPG estimates that if it were able to move PWU compensation to be within market as described at Ex F5-4-1 page 15, the resulting reduction in base salaries and wages paid in the regulated business would be approximately \$49M in 2014 and \$48M in 2015.

OPG estimates that if it were able to move PWU compensation to the median, the resulting reduction in base salaries and wages paid in the regulated business would be approximately \$96M in 2014 and \$94M in 2015.

Any changes to the PWU salary structure must be negotiated through collective bargaining, with savings to be realized over time. It is not reasonable to assume that these savings could be achieved during the test period, given the collective agreement.