

1 **The Society of Energy Professionals (SEP) INTERROGATORY #1**

2
3 **Reference:**

4 Exhibit A Tab 3 Schedule 1 p 2 ln 8-11;
5 Exhibit C1 Tab 4 Schedule 1 p30 ln11-21.

6
7 **Interrogatory:**

8 “The applied-for rate increase is likely to be mitigated by anticipated reductions in
9 transmission pension contribution operating expenses, arising from the receipt of an updated
10 actuarial valuation report that was not finalized at the time this Application was filed. The report
11 is expected to be finalized at the end of June 2016.”

- 12
13 a) Are the above statements correct or should they be revised? HONI provided this actuarial
14 report in its July 20 update as Exhibit C1 Tab 4 Schedule 2 Attachment 1 “Hydro One Inc.
15 Hydro One Pension Plan: Actuarial Valuation as at December 31, 2015 (June 9, 2016)”.
- 16
17 b) The same question is put forward regarding Exhibit C1 Tab 4 Schedule 1 “Corporate
18 Staffing and Compensation” p30 ln11-21.

19
20 **Response:**

- 21 a) Yes, the excerpted statement should be revised to reflect that the actuarial report was
22 received on June 9, 2016 and filed on June 20, 2016 with the OEB in the current proceeding.
- 23
24 b) Yes, the same is true for the above-referenced passage in Exhibit C1, Tab 4, Schedule 1.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #002**

2
3 **Reference:**

4 Exhibit B1 Tab 1 Schedule 3

5
6 **Interrogatory:**

- 7 a) Please explain the “Mental Health Strategy”.
- 8
- 9 b) Please explain the implementation of the Mental Health Strategy including i) where are you
10 now in the program?; ii) when was this strategy initiated?; iii) what are its tasks?; iv) what
11 are the targets?; and v) how much has and will this cost annually?
- 12
- 13 c) How does this initiative deal with the problems Hydro One faces as a consequence of the
14 health and familial issues many field employees, as well as some head office staff, are
15 exposed to continuously migrating around Ontario performing Hydro One work? Examples
16 of these issues include marital breakdown; road accidents travelling to and from work sites &
17 Hydro One work locations both on and after paid time; alcoholism; drug dependency etc. If
18 this “Mental Health Strategy implementation” does not deal with these workplace issues or
19 the resulting personal issues which have workplace consequences please explain which
20 programs do, their success rate, the statistics etc.

21
22 **Response:**

- 23 a) The Mental Health Strategy is a Health and Safety initiative. The strategy was approved by
24 the Board of Directors in the Spring 2015.

25

26 The strategy is to increase awareness of Mental Health issues, noting the rising national
27 trend of mental health conditions, as well as the high occurrence in Hydro One’s medical
28 absences. A heightened understanding of personal mental health issues in the workplace,
29 will assist in eliminating or reducing the stigma associated with mental health. Training,
30 resources, programs and support will better equip both employees and managers, with the
31 ability to identify mental health problems early and obtain the appropriate support and care
32 when/if needed. The strategy consists of a number of key components including: Mental
33 Health Safety Meeting packages, Building Resiliency for Mental Health E- learning, Mental
34 Health First Aid Training (MHFA), Increased Health Screening, Mental Health webpage
35 resources for employees, and participation in Mental Health Awareness Month. Mental
36 Health First Aid (MHFA) is the assistance provided to a person experiencing a mental health
37 problem or crisis until appropriate support is found or until the crisis is resolved. With the

1 appropriate training, colleagues and managers are best positioned to recognize the initial
2 signs and symptoms of mental health issues with the appropriate training. Hydro One's
3 "Amp Up Your Health" Employee Wellness program to promote good mental health
4 addresses factors such as good nutrition, exercise and Health Screening clinics.
5

6 b) Implementation of the Mental Health strategy has involved several programs including:
7 Mental Health Safety Meeting packages, Building Resiliency for Mental Health E- learning,
8 Mental Health First Aid Training (MHFA), Increased Health Screening and participation in
9 Mental Health Awareness Month. Mental Health First Aid (MHFA). Progress is as follows:

- 10 i. MHFA training – 261 employees trained in 2015 and target of 500 for 2016; 1,430
11 employees participated in health screenings in 2015.
- 12 ii. Strategy was initiated in 2015 with Board approval.
- 13 iii. Elements of the program are:
 - 14 • Mental Health Safety Meeting Packages
 - 15 • Building Resiliency for Mental Health eLearning
 - 16 • Mental Health First Aid Training
 - 17 • Increased Health Screening
 - 18 • Participation in Mental Health Awareness Month
 - 19 • Peer Support Teams and
 - 20 • Health Risk Assessment
- 21 iv. Targets are 500 trained in MHFA/year
- 22 v. Annual cost of the program \$100,000

23
24 c) Hydro One offers programs to address family, personal and health issues including: Health
25 Assessment Process; Care Management Program to facilitate the suitable timely care to
26 promote the right outcome (absences greater than 5 days), Disability Management Program,
27 Fit for Duty Policy and Employee Family Assistance Program (EFAP).
28

29 As an ongoing evaluation of the Health and Wellness Programs an Integrated Data Analysis
30 is completed on an annual basis. This Integrated Data Analysis assesses the organization's
31 current health concerns to ensure health and wellness programs provide employees with the
32 necessary education and tools to develop and maintain a healthy lifestyle. A wellness strategy
33 that incorporates this kind of analysis and evaluation will then help Hydro One address
34 healthcare costs and employee health and will: highlight key health concerns currently
35 affecting the employee population, provide program recommendations targeting key health
36 concerns of the workforce, and offer recommendations for wellness strategies designed to
37 ensure a supportive corporate culture.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #3**

2
3 **Reference:**

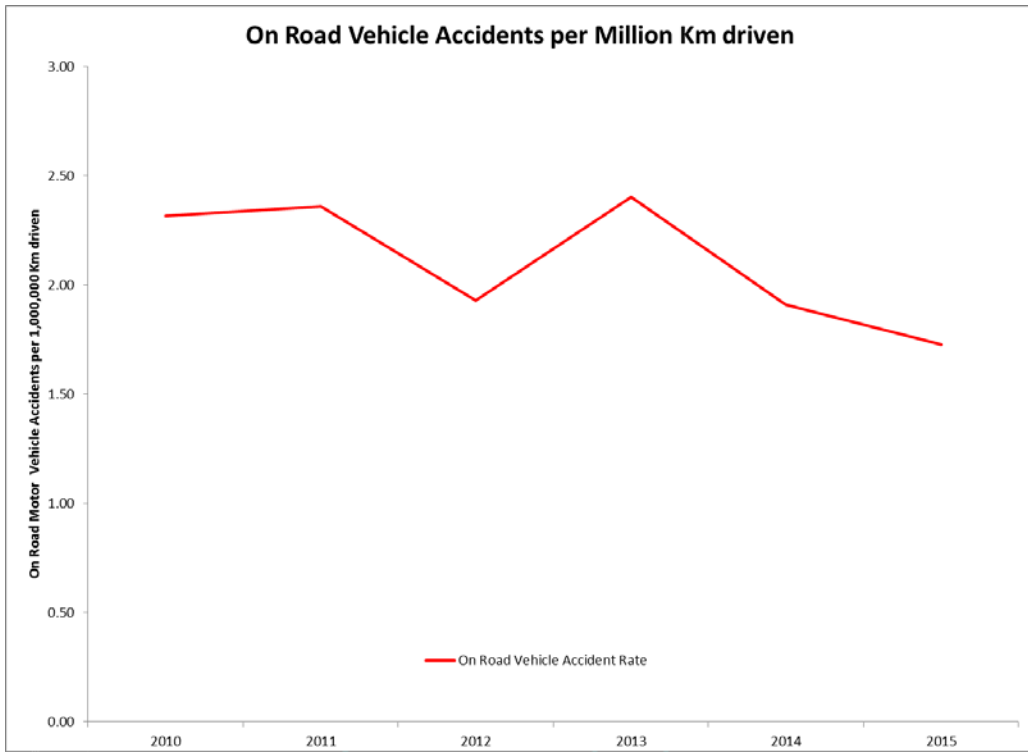
4 Exhibit B1 Tab 1 Schedule 3 “Transmission Performance”
5 Pp 8,9 “Motor Vehicle Accident Rate”
6

7 **Interrogatory:**

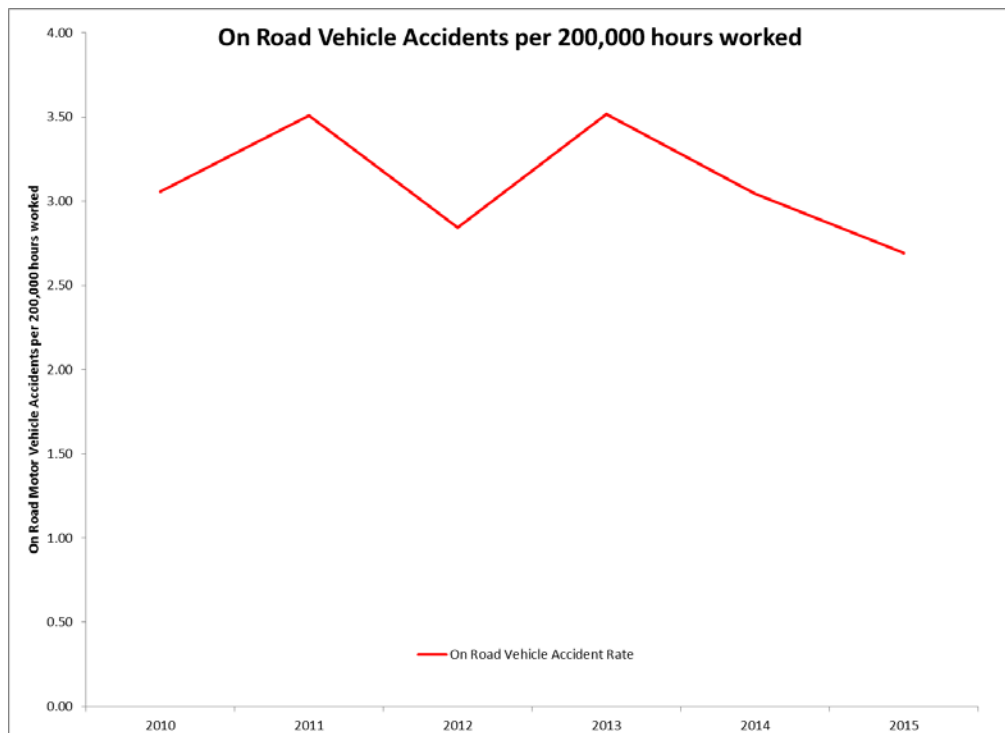
- 8 a) Please provide the Hydro One motor vehicle accident rate for 2010-2015 in a separate chart.
9
10 b) Does the motor vehicle accident rate include accidents involving employees on unpaid time
11 travelling to and returning from worksites and/ or Hydro One work locations? If it doesn’t
12 include these accidents, why not? Workers would appear to be at greater risk in this travel
13 time during periods of intense and long work hours.
14
15 c) Please provide the motor vehicle accident rates for unpaid travel time for 2010-2015. If this
16 data is not readily available please provide reasonable estimates and the rationale for the
17 estimates.
18
19 d) Hydro One utilizes a large fleet of assorted off-road vehicles. i) Does the motor vehicle
20 accident rate include these off-road vehicles? ii) Please provide the off-road vehicle accident
21 rate for 2010-2015.
22
23 e) What steps are being taken by Hydro One to reduce ALL vehicle accident rates [ie both on-
24 road and off-road vehicle rates]?
25

26 **Response:**

- 27 a) The on-road motor vehicle accident rate chart for the period 2010 to 2015 is shown below.
28 “Rate” is expressed in accidents per million kilometers driven. Kilometers driven by
29 employees using personal (only for expense purposes) or rental vehicles are not tracked so
30 the total distances are under reported. An additional graph shows motor vehicle collisions
31 per 200,000 hours worked for 2010 to 2015.

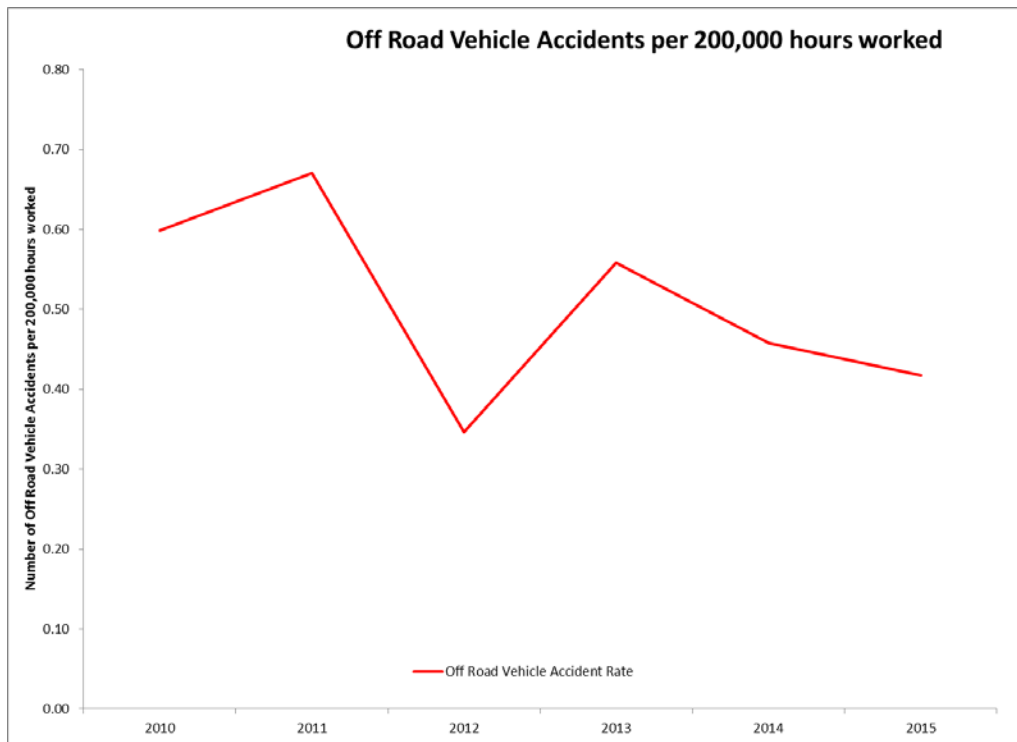


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- 1 b) Hydro One only reports motor vehicle accidents for work related collisions. Non-work
2 related collisions are not tracked. Tracking accident rates during non-working hours would
3 not provide significant comparable data beyond what is available from other government
4 agencies. Collecting such data would be difficult as it would rely on voluntary reporting of
5 both kilometers driven and accident details. Industry benchmarking does not compare this
6 data.
7
8 c) Hydro One does not collect this type of data so it is impossible for an estimate to be prepared
9 (only work-related collisions are collected).
10
11 d) Off-road vehicle accident rate for 2010 to 2015 is shown below (“rate” is expressed per
12 200,000 hours worked since Hydro One does not track kilometers driven data for off-road
13 vehicles).
14



- 1 e) Various initiative across Hydro One have focussed on motor vehicle accident (MVA)
2 prevention, including the following:
3
4 • Improvements in driver safety programs;
5 • Improvement in driver training (MVOP);
6 • Various safety meeting packages focussing on improving driver awareness, reducing back-up
7 incidents and distractions, etc.;;
8 • No cellphone rule (Distracted Driving Policy) while driving on Hydro One business;
9 • Journey to Zero cross functional team recommended prevention strategies based on accident data;
10 • Effectiveness reviews of previous MVA focussed programs and initiatives to determine
11 opportunities for improving accident performance; and
12 • Use of Telematics as a coaching tool.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #4**

2
3 **Reference:**

4 Exhibit B1 Tab 3 Schedule 1 Table 1 “Summary of Transmission Capital Budget (\$ Million)
5 Including Capitalized Overheads and Interest Capitalized”

6
7 **Interrogatory:**

- 8 a) Please provide separately the Overheads Capitalized for 2012 to 2021 and explain any year
9 over year variances greater than +\$5M.
- 10
- 11 b) Please provide separately the Capitalized Pension Costs for 2012 to 2021.
- 12
- 13 c) Please explain why the test year capital expenditures were not impacted by the reduction in
14 Capitalized Pension Costs as provided in the update filed on 2016-07-20. Note that with
15 reference to Exhibit C1 Tab 4 Schedule 2 p2 Table 1, the 2017 and 2018 “Capital Pension
16 Costs” were reduced from \$51M to \$33M and \$49M to \$32M respectively as originally filed
17 on 2016-05-31 as compared to the 2016-07-20 update.

18
19 **Response:**

- 20 a) Please see the table (\$ millions) and explanatory notes below.

21

2012	\$107
2013	\$109
2014	\$124
2015	\$117
2016	\$122
2017	\$133
2018	\$135
2019	\$138
2020	\$141
2021	\$145

22

23 **2014 vs 2013:** 2014 overheads capitalized of \$124 million are \$15 million greater than the
24 2013 amount largely due to higher capitalized asset management and operating costs, which
25 resulted from an update to the time study. An increase in total CCF&S costs, as outlined in
26 Exhibit C1, Tab 3, Schedule 3, also contributes to the change.

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2015 vs 2014: As outlined on pages 5 and 6 of Exhibit B1, Tab 3, Schedule 10, Black & Veatch’s methodology allocates Corporate Common costs to capital and OM&A based on the labour content and total spending methods. As the work program changes, the results will vary. As a result of applying the Black & Veatch OEB-approved methodology, 2015 overheads capitalized of \$117 million are \$7 million less than the 2014 amount. Relative to 2014, both the capitalization of labour content and total spending decreased, resulting in a lower capitalization of overheads.

2017 vs 2016: As a result of applying the Black & Veatch OEB-approved methodology, 2017 overheads capitalized of \$133 million are \$11 million greater than the 2016 amount. Relative to 2016, both the capitalization of labour content and total spending increased, resulting in the increased capitalization of overheads. Also contributing to the variance is an increase to CCF&S costs.

b) Please see the table (\$ millions) and explanatory notes below.

2012	\$42
2013	\$50
2014	\$46
2015	\$46
2016	\$32
2017	\$31
2018	\$30

18
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26

Forecasts for the period 2019 to 2021 cannot be provided as there is no actuarial support available at this time.

Please note that the capitalized pension costs forecast for 2017 and 2018 has been modified since the July 20th blue page update to the current application. Please refer to Exhibit I, Tab 1, Schedule 131 for an explanation of change.

c) Hydro One will be reinvesting these savings in its capital program.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #5**

2
3 **Reference:**

4 Exhibit B1 Tab 4 Schedule 1 "Capital Work Execution Summary" section 5.5 Engineering pp12
5 ln14-19

6
7 **Interrogatory:**

8 With the increasing Transmission capital work program, there continues to be an increasing need
9 to utilize external engineering partners. The portion of the engineering portfolio completed
10 externally has continued to grow over recent years, from roughly 14% in 2012 to roughly 25% in
11 2015. In addition to increased capacity through additional engineering resources, the external
12 utilization has a cost efficiency element as fully burdened external labour rates are lower than
13 fully burdened internal labour rates.

- 14
- 15 a) For the period 2012 to 2018 please provide the annual figures for Hydro One's TOTAL
16 engineering portfolio costs; the external engineering costs & the percentage that represents of
17 total engineering portfolio costs; and the external engineering FTE's.
 - 18
 - 19 b) Which external engineering companies does Hydro One contract work to?
 - 20
 - 21 c) What selection criteria does Hydro One use to select engineering contractors?
 - 22
 - 23 d) Explain specifically what work is done by Hydro One's external engineering partners.
 - 24
 - 25 e) Categorize the work buckets discussed in d) and provide the annual expenditures for each for
26 2012 to 2018.
 - 27
 - 28 f) Provide an annual comparison between 2012 and 2018 of fully burdened external
29 engineering labour rates to fully burdened internal engineering labour rates. Include external
30 contractor gross margin [ie the contractor's markup to cover all costs and make a profit] in
31 the external rates along with all other costs which Hydro One would not incur if this work
32 was done internally rather than externally [transportation costs to bring external engineers to
33 Toronto to meet and /or work in Hydro One facilities, costs to train external contractors etc].
 - 34
 - 35 g) Provide all the details on the methodology utilized to derive the costs provided in f) so the
36 methodology can be independently verified.

Response:

a)

	2012	2013	2014	2015	2016	2017	2018
	Historic	Historic	Historic	Historic	Bridge Year Forecast	Test Year Plan	Test Year Plan
Total Engineering Costs, \$ millions	82.7	73.7	75.2	88.3	94.8	112.5	106.9
External Engineering Costs, \$ millions	11.1	10.3	11.7	18.4	22.5	35.0	30.9
Total Engineering Costs Executed Externally, %	14%	14%	16%	21%	24%	31%	29%

Please note that the number of external full-time equivalents (FTEs) is not available for historic, bridge or test years.

b) In late 2015, Hydro One completed a competitive sourcing event to establish a set of contracts with pre-qualified engineering firms to provide broad engineering services for station and line projects. The three primary firms selected include SMi (SM Group International), TetraTech, and SNC Lavalin. Burns & McDonnell has also been selected as a secondary firm for the five year term to provide additional engineering capabilities as required.

There are also a number of environmental engineering firms under contract following competitive sourcing events that Hydro One works with in support of environmental studies and approvals required for the execution of transmission work. These include, in no specific order, Dillon, Stantec, Golder, Senes-Arcadis, Amec Foster Wheeler, Parsons, HGC, GHD, and Aerocoustics.

c) All Hydro One's engineering vendors are sourced using an open and competitive procurement process. The evaluation criteria for selecting external engineering firms is based on an assessment of the firm's technical capabilities, as well as commercial offering such as cost and contractual terms. The interested parties are taken through a multi-staged evaluation process, providing additional information to demonstrate their technical capabilities and refine their commercial offerings along the process.

d) To-date, Hydro One's external engineering firms have been primarily utilized to provide detailed production engineering for Stations investments, to transition from a completed

1 conceptual design to issuance of final design and drawings for construction. In 2016 and
 2 beyond, the external engineering firms will be relied upon to provide engineering support to
 3 Lines Sustainment investments, as well as providing additional support to the Project
 4 Definition stages of a project (scoping, conceptual design, estimating, project planning, etc.).
 5

6 e) This level of cost breakdown is not available without going into a great amount of detail.
 7 Generally speaking, the majority of the work done by external engineering firms will be
 8 substantially focused on detailed production engineering (approximately 80%) with a smaller
 9 component focused on support to Project Definition stages (approximately 20%).
 10

11 f) The following table outlines the fully-burdened hourly labour costs for internal engineering
 12 and external engineering. The comparator role was selected as an Intermediate Engineer,
 13 which is functionally a Society MP4 equivalent. External vendor rates have been averaged
 14 together for presentation and to protect the commercially sensitive nature of this data.
 15

	2012	2013	2014	2015	2016	2017	2018
	Historic	Historic	Historic	Historic	Bridge Year	Test Year	Test Year
Fully Burdened Internal Engineering Labour Rate, \$/hour	164.00	169.00	169.00	172.00	166.00	178.00	181.00
Fully Burdened External Engineering Labour Rate, \$/hour, averaged	107.46	109.47	112.37	115.34	102.78	106.91	111.08
External Engineering Rate as % of Internal Engineering Rate	66%	65%	66%	67%	62%	60%	61%

16
 17 There are no additional incremental costs for external engineering resources relative to
 18 internal engineering resources. All required travel expenses to Hydro One's head office for
 19 project meetings and the like are included within the external hourly rates. Any required
 20 travel to project sites around the province is included as a project cost on an hourly basis
 21 whether the individual works for an external engineering company or internally for Hydro
 22 One.
 23

24 g) The internal rates utilize a standard costing methodology. Please refer to Exhibit C1, Tab 5,
 25 Schedule 1 - Costing of Work. The external rates are established via a competitive Request
 26 for Proposal process and are negotiated with short-listed suppliers.

Witness: Brad Bowness

1 **The Society of Energy Professionals (SEP) INTERROGATORY #6**

2
3 **Reference:**

4 Exhibit B2 Tab 1 Schedule 1 “COST EFFICIENCIES, PRODUCTIVITY AND KEY
5 PERFORMANCE INDICATORS”

6
7 **Interrogatory:**

8 In past OEB proceedings, Hydro One has submitted in its evidence \$ quantified annual capex
9 and OM&A productivity & cost efficiency savings along with detailed explanations of the
10 contributing initiatives. For example in EB-2014-0140, the Transmission 2015-2016 proceeding,
11 HONI provided this information in Section iii) – Subsection ii - Exhibit A-18-1. This would
12 cover the past three years of actuals, the bridge year and the two test years [eg 2013 to 2018 in
13 this proceeding].

14
15 a) Please explain why Hydro One has not and / or cannot provide this evidence in the present
16 proceeding?

17
18 **Response:**

19 a) The previous approach taken by Hydro One to report on productivity and cost efficiencies
20 was found to be inappropriate by the OEB and was not received favourably by external
21 stakeholders. The OEB found that the approach did not qualify as a measure of productivity,
22 as productivity is measured through the relationship between inputs and outputs and not
23 based upon a nominal decrease in inputs. In order to reflect the OEB’s findings in EB-2014-
24 0140, Hydro One has redesigned its approach to measuring productivity, Key Performance
25 Indicators and Outcome measures, to better align with the OEB’s determinations and its
26 Renewed Regulatory Framework.

The Society of Energy Professionals (SEP) INTERROGATORY #7

Reference:

Exhibit B2 Tab 2 Schedule 1 p4 Table 1 “Addressing the [Transmission Total Cost Benchmarking Study] Recommendations”

Interrogatory:

One recommendation is “Target a corrective maintenance spend that is ~25% of total corrective and preventative”.

(a) With reference to Exhibit C1 Tab 2 Schedule 2, p3 Table 1 “Sustaining OM&A”, for each of Stations, Lines, Engineering & Environment Support please break out separately the annual corrective and the annual preventative expenditures.

(b) Also provide the total annual corrective, the total annual preventative and the annual sum of corrective & preventative expenditures. Also provide the annual % that corrective expenditures represents of the annual sum of corrective and preventative expenditures.

(c) Explain what is contributing to the annual changes in the % of corrective expenditures calculated in b) between 2016 and 2018.

(d) When is Hydro One targeting to reach the 25% level in the recommendation?

Response:

The following table addresses parts a) and b) of the interrogatory.

		Actual \$M				Forecast \$M		
		2012	2013	2014	2015	2016	2017	2018
Stations Assets	Corrective Maintenance	76.3	80.5	80.7	84.3	83.2	86.6	82.1
	Preventative Maintenance	40.7	46.5	45.7	42.0	32.9	47.3	47.1
	Total	117.0	127.0	126.4	126.3	116.1	133.9	129.1
	Corrective % of Total	35%	37%	36%	33%	28%	35%	37%

		Actual \$M				Forecast \$M		
		2012	2013	2014	2015	2016	2017	2018
Lines Assets	Corrective Maintenance	13.1	11.5	13.0	13.8	12.6	13.2	12.9
	Preventative Maintenance	35.5	38.9	44.1	38.8	46.2	46.6	47.9
	Total	48.6	50.4	57.1	52.6	58.8	59.8	60.8
	Corrective % or Total	27%	23%	23%	26%	21%	22%	21%

1 *Support programs not included as they are not directly tied to the preventative and corrective maintenance
 2 program.

3
 4 c) The ratio of corrective maintenance work to total maintenance work is relatively constant
 5 over historic, bridge and test years. The lower percentage for stations in 2016 is due to
 6 restricted funding envelope and cuts being made to some of the immediate corrective work
 7 which will need to be addressed in future.

8
 9 d) Hydro One is aware of the Transmission Total Cost Benchmarking Study recommendation
 10 with respect to ratio of corrective maintenance to total maintenance and is reviewing the
 11 appropriateness of the recommended target, considering the system design philosophy and
 12 demographics of the asset base.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #8**

2
3 **Reference:**

4 Exhibit C1 Tab 2 Schedule 6 p8 ln 17

5
6 **Interrogatory:**

7 “[Hydro One is performing] a review to reduce the number of trouble calls performed on
8 overtime”

- 9 a) Please explain how Hydro One intends to reduce trouble calls performed on overtime.
10
11 b) What is the target reduction in overtime hours from this initiative? Please provide a ballpark
12 estimate if it is too soon to provide an accurate estimate.
13
14 c) What impact will this reduction in trouble calls performed on overtime have on Hydro One’s
15 customers enduring an outage as well as on customer satisfaction?
16

17 **Response:**

- 18 a) Hydro One is re-evaluating which type of trouble calls require immediate response and what
19 trouble calls can be assigned a pending dispatch to be performed during normal business
20 hours.
21
22 b) The target for reducing OT specifically on this initiative has not been established as it is in its
23 infancy.
24
25 c) This new initiative will be totally transparent to customers. All trouble calls that involve an
26 interruption to customer load will be assigned an immediate dispatch as is Hydro One’s
27 current practice. Therefore there should be no effect on customer satisfaction.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #9**

2
3 **Reference:**

4 Exhibit C1 Tab 3 Schedule 2 “Outsourcing”

5
6 **Interrogatory:**

7 As outlined in section 3 [pp5-8], on January 1, 2015 Hydro One entered into a new services
8 arrangement with a 10-year term with what became Brookfield Global Integrated Solutions
9 (“BGIS”).

10
11 a) When the services agreement was originally made, what were the annual cost savings
12 expected to be realized by Hydro One in 2015 to 2018? Also please provide this broken
13 down and explained by contributing factor (eg capital project management services, ongoing
14 daily facilities management etc.).

15
16 b) What are the actual cost savings that have been realized by Hydro One in 2015 and are now
17 forecast for 2016 to 2018 in this application broken down by contributing factor?

18 c) Please explain any variances between a) and b) for each contributing factor.

19
20 d) Please provide the critical service levels (CSLs), key performance measures (KPIs) and
21 critical deliverables as provided for in the agreement [p7 ln 7-13] along with the quarterly
22 results since the inception of the agreement.

23
24 e) If BGIS has not met any CSLs, KPIs and critical deliverables at any point please explain what
25 the consequences were for them.

26
27 **Response:**

28 a) The shared savings attributable to process or service improvements in contract years one to
29 three were expected to be modest and realized primarily through BGIS third party contracts
30 for facilities management.

31
32 b) The Hydro One shared cost savings in 2015 were reported as \$0.8M and are primarily the
33 result of the lower cost of contracted services.

34
35 c) BGIS has a large portfolio and, as a result, has greater buying power when contracting out for
36 services on Hydro One’s behalf.

1 d) Critical service levels that are monitored are:

- 2 • Lost time injuries
- 3 • Medical attentions
- 4 • Unplanned outages
- 5 • Ministry Notices/Orders
- 6 • Environmental spills
- 7 • Regulatory accomplishment reporting
- 8 • Performance against agreed budget
- 9 • Delivery of capital projects to budget
- 10 • Delivery of capital projects to schedule

11

12 Key measurements that are monitored are:

- 13 • Work protection code violations
- 14 • Preventative maintenance work accomplishment
- 15 • Capital work accomplishment
- 16 • Customer complaints
- 17 • Carbon reduction
- 18 • Incident reporting
- 19 • Financial expense actuals to budget
- 20 • Financial capital actuals to budget
- 21 • Special reporting
- 22 • Customer survey satisfaction levels
- 23 • Timely issues resolution
- 24 • Asset identification and system input

25

26 e) These items are reviewed monthly, but measured annually. BGIS met or exceeded targets in
27 2015. Results for 2016 will be evaluated at the end of the fourth quarter.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #10**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p7 ln14-p8 ln 1,2

5
6 **Interrogatory:**

7 Demographic and skills analyses are conducted to ensure that Hydro One retains the appropriate
8 talent in the present and is positioned properly in the market to attract the talent required in the
9 future.

10 a) Please provide the most recent demographic and skills analyses conducted by Hydro One as
11 mentioned in the referenced sentence above.

12
13 b) Please provide the Hydro One definition of being “positioned properly in the market to
14 attract the talent required in the future”.

15
16 c) Please explain how these analyses ensure “that Hydro One retains the appropriate talent in
17 the present and is positioned properly in the market to attract the talent required in the
18 future”.

19
20 **Response:**

21 a) Demographic and skill analyses are conducted in a variety of ways depending on the type of
22 roles, the size of the organization unit, the impact of attrition and the lead time required to
23 train new employees. Examples include:

- 24
25 • Succession planning for senior leadership roles;
26 • Identification and development of high potential employees;
27 • Field organizations review their resource requirements against a multiyear business plan
28 annually along with historical attrition rates to ensure the required amount of skilled
29 resources are available to complete work programs;
30 • Provincial Lines utilizes a trades training matrix which identifies mandatory training
31 components specific to both Transmission and Distribution skills. When a skill resource
32 shortfall is identified Provincial Lines will coordinate and implement additional
33 training; and
34 • Provincial Lines has implemented a 3 year “Journeyman Efficiency Training” to
35 ensure skills for lines journeyman are kept current.

Filed: 2016-08-31

EB-2016-0160

Exhibit I

Tab 8

Schedule 10

Page 2 of 2

- 1 b) Hydro One competes for talent against organizations both in and outside of the utility
2 industry. Hydro One's compensation strategy must be competitive to attract, retain and
3 motivate employees, but must also be aligned with ratepayer interests.
4
- 5 c) Similar to the response in b) by being aware of the skills and demographics within the
6 organization and what the competing market pays for similar skills, Hydro One is positioned
7 better to retain and attract talent.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #11**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p8 ln 4-7

5
6 **Interrogatory:**

7 Progress has been made in attaining the appropriate number and mix of staff required to
8 complete the Company's planned work programs. However, Hydro One’s highly skilled jobs
9 require long learning curves, so it is essential that the Company hire well in advance of
10 forecasted retirements.

- 11 a) Please explain how and why “Hydro One’s highly skilled jobs require long learning curves”.
- 12
- 13 b) In general, how far in advance of forecasted retirements do new hires have to be made?
14 What is the range?
- 15
- 16 c) What is the anticipated or planned overlap time at the workforce of new hires with
17 experienced staff who are to retire?

18
19 **Response:**

20 a) Hydro One, like other large utilities in the electrical sector, has many roles that require
21 specialized skills that are often not required in other industries. Many roles within Hydro One
22 require a minimum 3 year Technologist certification or a 4 year university degree in a
23 specialized field of study. Common roles within Hydro One that require lengthy training
24 periods include the following:

- 25
- 26 • Regional Maintainer – Lines – 4 Year apprenticeship + 2 years in-house training;
 - 27
 - 28 • Regional Maintainer - Electrical - 5 year apprenticeship + 2 years in-house training;
 - 29
 - 30 • New Grad - Engineer - minimum 4 year University degree in Applied Science + 2 year
31 New Grad training + 4- 6 years additional experience to be a fully “journeyperson”
32 engineer;
 - 33
 - 34 • Supervising Engineer – 10-15 years’ experience required; and
 - 35

- 1 • Controller - The NERC System Operator Certification program promotes reliability of
2 the Hydro One and North American power system by ensuring that operators (Controller)
3 meet minimum qualifications. NERC certification is a requirement to perform the Hydro
4 One Controller function unassisted. Successful applicants to the Controller Trainee
5 position require a 3 year electrical/electronic technologist diploma. Successful applicants
6 are hired into the Controller Trainee position and undergo 2 years of facilitated and on-
7 the-job training before becoming a Controller 1 enabling them to work in the control
8 room unassisted. The trainee must become NERC certified within the first 3 months of
9 hire. Once the NERC exam is passed an individual must complete a set amount of related
10 training (200 hours over 3 years) to remain certified. The Controller training program is
11 designed to maintain NERC Certification as well as other required annual training
12
- 13 b) For Hydro One's major trade classifications, employees are hired a minimum of four years in
14 advance of potential future retirements. The range for all classifications would range from
15 zero to approximately five years in advance of potential retirements.
16
- 17 c) For Hydro One's major trade classifications, the overlap would be generally the length of an
18 apprenticeship program. During the apprenticeship program, apprentices can perform
19 appropriate level of work for their experience level and the journey person is then available
20 for higher skilled tasks.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #12**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p9 Figure 6

5
6 **Interrogatory:**

7 In the referenced figure over the two year period the minimum number of temporary workers is
8 244.

- 9 a) Please explain why a number of these temporary workers are not regular staff if the
10 minimum number is so high over a two year period?
11
12 b) What is the number of temporary workers who have been continuously employed over this
13 two year period?

14
15 **Response:**

- 16 a) Typically, there are a variety of reasons why Hydro One hires temporary employees: short
17 term peak work; project work; seasonal work; co-op opportunities; maternity leaves; and
18 short and long term sicknesses. Since these temporary resources are not filling an ongoing
19 position, it would not be appropriate to reclassify them to regular status.
20
21 b) There are five temporary employees who have been continuously employed over this two
22 year period.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #013**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p10 ln7-8

5
6 **Interrogatory:**

7 “Since January 1, 2004, 473 graduate trainees have been hired through the Company's on-
8 campus recruitment program.”

9
10 a) Please provide the annual number of graduate trainees hired for each of 2004 to 2018.

11
12 b) Please explain any year over year variances greater than +5%.

13
14 c) What is the annual attrition rate for new hires? If it is greater than the attrition rate for the rest
15 of the Hydro One please explain why and the common reasons for this at Hydro One. It is
16 assumed that Hydro One, like other successful billion dollar companies, performs exit
17 interviews and has this information readily at hand as well as the analysis thereof to assist it
18 in future hires into this program. Hydro One does perform voluntary exit interviews with a
19 new grad employee who terminates.

20
21 d) Please explain how these annual hire levels for new grads tie into the roughly 200 staff per
22 year that have retired between 2011 and 2015 as well as the accelerating number of retirees
23 expected in 2016-2018 and beyond.

1 **Response:**

2 a)

Year	New Grads Hired
2000	25
2001	31
2002	24
2003	7
2004	21
2005	29
2006	0
2007	0
2008	86
2009	80
2010	70
2011	25
2012	27
2013	19
2014	17
2015	7
2016	5
Total	473

3

4 New grad hiring for 2017 and 2018 has not been finalized at this time.

5

6 b) Fluctuations in New Graduate hiring from year to year is a function of retirements, a desire to
7 maintain the Hydro One “brand” on University campuses and the need to monitor headcount
8 growth.

9

10 c) The overall attrition rate for employee hired into the New Graduate Program is 15.2% or on
11 average 0.95% per year.

12

13 d) New graduate hiring is a way in which Hydro One can replenish the professional skills and
14 experience lost through retirement.

The Society of Energy Professionals (SEP) INTERROGATORY #14

Reference:

Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p10 ln21-22

Interrogatory:

“Hydro One will also continue its support of the University and College Co-Op Education Program, hiring approximately 300 co-op students a year. “

- a) Please provide the annual number of co-op students hired for each of 2004 to 2018.
- b) Please explain any year over year variances greater than +5%.
- c) Please provide the annual number of co-op students hired into graduate trainee positions for each of 2004 to 2018.

Response:

a)

Year	No. of Co-op Students Hired
2004	112
2005	111
2006	193
2007	233
2008	193
2009	409
2010	403
2011	385
2012	401
2013	389
2014	395
2015	371
2016	306

- b) Between the years 2004- 2008, the number of co-ops hired was relatively consistent. Beginning in 2009 and continuing to 2016, Hydro One has expanded the use of the co-op hiring program. In 2008, Hydro One established the College Consortium which led to the first large group of college-level Co-op students being hired in subsequent years. Hydro One also introduced the Fellowship Student program which also increased the number of co-op students.

Witness: Keith McDonell

1 c)

Year	No. of New Grads Hired	No. of New Grads Hired with H1 Co-op Experience
2004	21	11
2005	29	11
2006	**	**
2007	**	**
2008	86	19
2009	80	23
2010	70	36
2011	25	19
2012	27	17
2013	19	10
2014	17	15
2015	7	5
2016	5	4

2

1 **The Society of Energy Professionals (SEP) INTERROGATORY #15**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p11 ln4-7

5
6 **Interrogatory:**

7 “Hydro One believes a sustainable and longer term strategy is to invest in programs where
8 knowledge transfer is the key objective. Programs such as new Graduate and Apprentice Hiring,
9 and knowledge documentation all contribute to ensuring knowledge is transferred to more junior
10 staff.”

11 a) Explain Hydro One’s knowledge documentation program.

12
13 b) What are the other programs, other than new Graduate & Apprentice Hiring, which Hydro
14 One utilizes where knowledge transfer is the key objective? Please explain those programs.

15
16 c) Please explain the programs Hydro One has in place to transfer knowledge to regular staff
17 from temporary staff and external contractors, including external engineering as well as
18 design & construction firms.

19
20 **Response:**

21 a) Hydro One utilizes a number of approaches to facilitate knowledge transfer, as such, there is
22 no single or formal knowledge documentation program. Current examples include:

- 23 • Rotational opportunities- allow employees the opportunity to learn new skills from senior
24 employees and then return to their home base with greater knowledge.
- 25 • New Grad hiring – a 2 year program where new university graduates receive company
26 and industry knowledge from more senior employees.
- 27 • Apprentice hiring – 4 or 5 year apprentice programs where new trades employees receive
28 training from more senior trades co-workers.
- 29 • Mentoring Program- informal mentoring facilitates the transfer of knowledge to more
30 junior staff.
- 31 • Project and Committee work for junior staff to work alongside more senior staff
- 32 • Consulting engagements where consultants are required to transfer knowledge to Hydro
33 One employees.
- 34 • Increase use of SharePoint - created a central depository of data/information for easy
35 access by all staff.
- 36

1 b) See answer a)
2

3 c) Opportunities transfer knowledge from temporary employees or contractors include:

- 4 • Where temporary employees are more knowledgeable than Hydro One regular
5 employees, there are opportunities for interaction between the temporary and regular
6 employee during the day-to-day execution of the work.
- 7 • Transfer of knowledge and/or processes from an external contractor. An example would
8 be the engagement of a number of external contractors with experience to assist Hydro
9 One establish and update business processes to become compliant with cyber security
10 regulations under the NERC CIP version 5 framework. Prior to the external contractor
11 assignments winding down, key business processes and the associated knowledge to
12 sustain them would be built within HONI.
- 13 • When engaging external engineering firms, Hydro One may assign an entire phase of
14 engineering on a project such as the detailed engineering to refurbish a transmission
15 station. Hydro One prepares the specifications and design requirements for the external
16 engineering firm and the external engineering firms deliver design packages to Hydro
17 One for review prior to finalization. All externally engineered work is subject to review
18 and approval by Hydro One staff prior to finalization of the design solution. The review
19 of the work is an opportunity for the external engineering firm to provide their expertise
20 and potential alternative suggestions to Hydro One for consideration.
- 21 • Hydro One also holds regular dialogue with external engineering & construction firms
22 soliciting their input and advice as to how our standards and practices can further evolve
23 based on the perspective of the external company.
- 24 • Construction partnered with an external service provider in 2016 to provide Hydro One
25 with Site Inspection services for all of our externally constructed work. This organization
26 has a managed system that is respected by peer utility companies and it will ensure
27 Construction services will have a consistent approach and proper oversight.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #16**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation” p18 ln4-7

5
6 **Interrogatory:**

7 “Willis Towers Watson conducted market assessments for MCP Bands 3-10 (SVP to
8 Administration roles). Executive level (Bands 3-4) compensation was assessed against a peer
9 group consisting of twenty-one companies that included utilities and other Canadian publicly
10 traded companies.”

11
12 a) Please provide the market assessments referenced above along with related materials which
13 were provided by Willis Towers Watson to Hydro One.

14
15 **Response:**

16 a) See Exhibit I, Tab 06, Schedule 57, Attachments #2 and #3 for the Willis Towers Watson
17 reports.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #17**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 “Corporate Staffing and Compensation”, “Pensions” pp28-30 and
5 pp32-34

6 APPENDIX A: ”Employee Pension Contributions for Other Employee Groups”

7
8 **Interrogatory:**

9 In collective bargaining since 2013, The Society has agreed to increases in pension contributions
10 made by its members. This has resulted in the cost ratio of pension contributions [Hydro One to
11 Society Employees] shifting from 4.3 prior to 2013 to 1.6 in 2018 for those Society members of
12 the legacy pension plan [so-called “Tier 1”]. For Post November 2005 Society pension plan
13 members [so-called “Tier 2”] this ratio has shifted from 2.6 to 1.0 over the same time period.

14
15 As shown in Appendix A figure 3, for MCP staff this ratio has shifted from 3.0 prior to 2013 to
16 1.9 in 2016. No 2017 and 2018 values are provided.

- 17
18 a) Please update Appendix A figure 3 to provide the MCP pension contribution data for 2017
19 and 2018. Please explain the rationale and methodology to derive these figures for 2017 and
20 2018.
- 21
22 b) Does the data provided in a) change Hydro One’s pension contribution costs in 2017 and
23 2018? If it does, please revise these Hydro One pension contribution cost figures in evidence.
- 24
25 c) If the 2018 MCP contribution figures provided in a) vary from the 2018 Society Tier 2
26 pension contribution levels please explain why. In particular, if the MCP pension
27 contribution levels are lower than Society Tier 2 please justify this discrepancy.
- 28
29 d) Please provide in one table all the data found in Exhibit C1 Tab 4 Schedule 1, Figure 8
30 “Employee Pension Plan Contributions - PWU” and Appendix A Figures 1, 2, 3. In this table
31 please use the updated figures asked for in a) above [the MCP pension plan contributions for
32 pre-2013 to 2018].

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Response:

a) MCP employee contributions have not been finalized for 2017 or 2018. However, it is expected that MCP employee contributions will be increased.

b) With the current MCP employee contribution rate, it would not be expected that the service cost ratio would change in the short term.

c) See a)

d)

Representation	Pre 2003		2013		2014		2015		2016		2017		2018									
	Employee Contribution	Ratio	Employee Contribution	Ratio	Employee Contribution	Ratio	Employee Contribution	Ratio	Employee Contribution	Ratio	Employee Contribution	Ratio	Employee Contribution	Ratio								
PWU	4.50%	6.50%	4.00	5.50%	7.50%	3.17	6.25%	8.25%	2.70	7.25%	9.25%	2.13	8.25%	10.25%	1.78	8.75%	11.25%	1.50	8.75%	11.25%	1.50	
Society - Legacy	4.0%	6.0%	4.3	5.3%	7.3%	3.2	6.3%	8.3%	2.7	7.0%	9.0%	2.3	7.5%	9.5%	2.1	8.3%	10.3%	1.9	8.8%	11.3%	1.6	
Society - Post 2005	4.0%	6.0%	2.6	4.8%	6.8%	2.1	5.8%	7.8%	1.7	6.5%	8.5%	1.4	7.0%	9.0%	1.3	7.8%	9.8%	1.2	8.3%	10.8%	1.0	
MCP	4.0%	6.0%	3.0	4.8%	6.8%	2.7	5.5%	7.5%	2.3	6.3%	8.3%	2.1	7.0%	9.0%	1.9							

12

1 **The Society of Energy Professionals (SEP) INTERROGATORY #18**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1“Corporate Staffing and Compensation”

5
6 **Interrogatory:**

7 This referenced exhibit does not mention that there is a diversity program underway in Hydro
8 One. Numerous studies have shown that a key characteristic of successful companies is
9 employee diversity in particular gender diversity [e.g. assorted studies by McKinsey &
10 Company, Mercer, Credit Suisse Research Institute etc.]. In striving to improve itself and
11 become a more “commercial” business an obvious initiative for Hydro One would be to focus
12 upon employee diversity.

13 a) Does Hydro One have a diversity program in place?

14
15 b) If there is no diversity program in place in Hydro One please explain why. If there is such a
16 program underway please explain the program and its targets in terms of matching the
17 diversity of the population of Ontario.

18
19 c) Provide a chart showing the Hydro One staff diversity profile 5 years ago, in 2015 and its
20 target levels in 2018. Include a breakdown of this data by union representation [Society,
21 PWU, non-represented] as well as the Hydro One total. Explain the changes between those
22 three points in time.

23
24 d) With the over 1,000 Hydro One staff who retired in the past five years as well as the large
25 number of retirements expected in the next five years, one would expect that the Hydro One
26 staff diversity profile provided in answer to part c) would demonstrate substantial gains at
27 each point in time. If it has not, please explain why and what impactful changes Hydro One
28 is implementing to improve its employee diversity.

29
30 e) For its MCP staff, Hydro One apparently has in place a performance management system as
31 well as a variable, at risk pay component (Short Term Incentive Plan “STIP”). A small
32 number of key leadership employees also has a long term variable pay component (“LTIP”)
33 as part of their compensation. Does Hydro One tie in its performance management system
34 and payments of STIP and LTIP for all MCP staff to achieving notable gains in diversity? If
35 not, explain why not and why it believes that it can make significant gains in employee
36 diversity without doing so.

1 **Response:**

2 a) Yes, Hydro One has a Diversity and Inclusion Policy.

3
4 b) Hydro One's Diversity and Inclusion Strategy has two goals:

- 5 • Increase the workforce representation of women, aboriginals and visible minorities to
- 6 match external workforce availability based on geography
- 7 • Inclusion of these designated groups in Hydro One's corporate culture to ensure their full
- 8 participation and the full capture of their capabilities.

9
10 While these two goals are the same for each designated group, the tactics to reach these goals

11 will differ for each designated group, due to the characteristics of the group, including labour

12 force availability and systemic barriers. Success will be measured by annual review of

13 progress towards workforce availability against Hydro One's internal workforce, and by

14 positive engagement with critical external communities and stakeholders.

15
16 Hydro One has been very active in the promotion of a variety of diversity and inclusion

17 initiatives. Examples include:

- 18
- 19 • The Tri-Partite Diversity Committee (Equal representations of PWU, MCP, Society)
- 20 • Hydro One Diversity Calendar
- 21 • Diversity Lunch and Learns Series
- 22 • Hydro One Women in Engineering University Partnership
- 23 • The Hydro One Women In Engineering Scholarship
- 24 • Women In Trades Technology and Engineering Network
- 25 • Ontario Engineering Competition
- 26 • Women In Trees through Fleming College
- 27 • OnWiE Sponsorship and Go Eng Girl
- 28 • Catalyst Membership
- 29 • EHRC Connected Women Steering Committee
- 30 • Hydro One Women In Leadership Program
- 31 • WXN – Women's Executive Network Membership
- 32 • Skills Canada – Ontario – Mentorships and Workshops and Career Fairs
- 33 • Scientist in School
- 34 • Confederation College Pre-Tech program for Aboriginals
- 35 • Leonard S. (Tony) Mandamin Scholarship
- 36 • Aboriginal Network Circle

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- First Nation & Métis Relations Department
- Nation Talk Membership
- The Aboriginal Procurement Procedure
- William Peyton Hubbard Memorial Award
- The Hydro One AID Network (Accessibility, Inclusivity, Disability)
- Hydro One College Consortium

c)

Representation	Women	Women	Women Targets
Year	2010	2015	By 2018
MCP	28.6%	29.3%	30%
Society	24.4	25.7%	30%
PWU	19.1%	18.7%	30%
Total of Employees	21.4%	21.7%	30%
Representation	Aboriginal	Aboriginal	Aboriginal Targets
Year	2010	2015	2018
MCP	2%	2.3%	3%
Society	0.4%	0.7%	1%
PWU	3.0%	2.9%	3%
Total of Employees	2.3%	2.3%	3%
Representation	Visible Minority	Visible Minority	Visible Minority Targets
Year	2010	2015	2018
MCP	13.9%	18.0%	19%
Society	26.6%	27.1%	32%
PWU	4.1%	3.7%	4%
Total of Employees	10.7%	11.4%	15%
Representation	Disability	Disability	
Year	2010	2015	
MCP	2%	1.1%	
Society	1.7%	2.1%	
PWU	3.3%	1.7%	
Total of Employees	2.7%	1.9%	

10

- 1 d) The trajectory of designated group representation in the years 2010 to 2015 is not as positive
2 as Hydro One might have hoped, however, it must be recognized that during this time Hydro
3 One has been in transition to its new public entity and dealing with other business
4 priorities. In this five year period, Hydro One implemented a number of programs as
5 highlighted in (b).
6
- 7 e) MCP employees who supervise other employees are assessed and rewarded under the STIP
8 program based on their individual performance against specific goals as well as how their
9 manager assesses their overall managerial accountabilities. This discretionary component of
10 the overall assessment encompasses a variety of managerial accountabilities, including his
11 /her visible support and advancement of corporate objectives, such as Diversity and
12 Inclusion.

1 **The Society of Energy Professionals (SEP) INTERROGATORY #19**

2
3 **Reference:**

4 Exhibit C1 Tab 4 Schedule 1 Attachment 1 “Payroll Table 2013 – 2018”

5
6 **Interrogatory:**

7 a) Please provide a supplementary table for each of 2013 to 2018 showing the annual regular
8 staff headcount for each of PWU regular, Society regular, MCP regular and Total regular
9 which also provides:

10 i. Annual attrition headcount with retirements shown separately and the percentage
11 these represent of annual regular headcount [for each of PWU regular, Society
12 regular, MCP regular and Total regular]; and

13 ii. Annual external hires and the percentage this represents of annual regular headcount
14 [for each of PWU regular, Society regular, MCP regular and Total regular]

15
16 b) Between 2015 and 2018 the number of Society regular staff is forecast to be reduced from
17 1285 to 1177 staff (whereas in contrast MCP staff increase by two and PWU staff only
18 reduce by 72 from a far higher starting point of 3350). Please explain how and why Hydro
19 One intends to reduce the number of regular Society staff over this period, including any
20 disproportionate reduction relative to PWU and MCP staff, respectively.

21
22 **Response:**

23
24 a) i) and ii)

REPRESENTATION	Regular Employees	Retirements	Attrition - Non Retirement	Total Attrition %	External Hires	% of Headcount
PWU Reg	3,321	123	24	4.43	130	3.91
SOCIETY Reg	1,260	45	16	4.84	26	2.06
MCP Reg	600	38	19	9.50	13	2.17
Total Reg	5,181	206	59	5.11	169	3.26
2014						
REPRESENTATION	Regular Employees					
PWU Reg	3,271	99	26	3.82	151	4.62
SOCIETY Reg	1,290	33	21	4.19	21	1.63
MCP Reg	584	38	34	12.33	23	3.94
Total Reg	5,145	170	81	4.88	195	3.79
2015						
REPRESENTATION	Regular Employees					
PWU Reg	3,350	94	35	3.85	205	6.12
SOCIETY Reg	1,285	33	12	3.50	19	1.48
MCP Reg	585	28	15	7.35	21	3.59
Total Reg	5,220	155	62	4.16	245	4.69
2016 (as of July)						
REPRESENTATION	Regular Employees					
PWU Reg	3,411	77	22	2.90	110	3.22
SOCIETY Reg	1,241	29	6	2.82	11	0.89
MCP Reg	596	18	17	5.87	18	3.02
Total Reg	5,248	124	45	3.22	139	2.65

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b) During the business planning process, lines of businesses were asked to improve performance and focus more on core operations. Hydro One has invested significant funds into IT to automate more tasks such as manual reporting, data compilation related functions and infrastructure and there is an expectation that productivity improvements will result. It is often the case that Society represented employees are in such roles. As employees leave the organization, there will be a renewed focus on whether the role needs to be replaced. Any other required reduction in staff would be in accordance with collective agreement processes.