



Ontario
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BY EMAIL

March 18, 2021

Ms. Christine E. Long
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ms. Long:

**Re: Ontario Energy Board (OEB) Staff Submission
Burlington Hydro Inc
2021 Cost of Service Application
OEB File Number: EB-2020-0007**

Please find attached OEB staff's submission in the above referenced proceeding, pursuant to Procedural Order No. 4.

Yours truly,

Original Signed By

Margaret DeFazio, P.Eng.
Project Advisor, Electricity Distribution: Major Applications and Consolidations

Encl.

cc: All parties in EB-2020-0007



ONTARIO ENERGY BOARD

OEB Staff Submission

Burlington Hydro Inc.

2021 Cost of Service Application

EB-2020-0007

March 18, 2021

Introduction

Burlington Hydro Inc. (Burlington Hydro) filed a cost of service application with the Ontario Energy Board (OEB) on October 30, 2020, seeking approval for changes to the rates that Burlington Hydro charges for electricity distribution, beginning May 1, 2021.

As part of its application, Burlington Hydro has sought confidential treatment for certain information provided in its answers to undertakings including information contained in the following four reports:

- 2020 MEARIE Management Salary Survey (Report 1)
- Korn Ferry 2019 Management and Non-Union Employee Pay Report (Report 2)
- 2016 Willis Towers Watson Incentive Program Review (Report 3)
- Burlington Hydro CEO Pay Review Report (Report 4)

On February 26, 2021, OEB staff and the School Energy Coalition filed submissions opposing a number of the confidentiality claims made by Burlington Hydro.

On March 5, 2021, Burlington Hydro filed its reply submission on the confidentiality claims. As part of its reply submission, Burlington Hydro identified additional information in Reports 1, 2 and 4 for which it requests confidential treatment.

On March 11, 2021, the OEB issued Procedural Order No. 4, inviting submissions on the additional confidentiality requests identified in Reports 1, 2 and 4.

This submission addresses those additional confidentiality requests.

OEB Staff Submission

Personal Information Claims

In its submission of February 26, 2021, OEB staff addressed Burlington Hydro's claims that certain "personal information" should be redacted. No new claims of "personal information" were made in Burlington Hydro's reply submission. OEB staff repeats and relies on its previous submission of February 26, 2021 on this issue.

Confidential Proprietary Information Claims

In addition to confidentiality claims based on "personal information", Burlington Hydro also seeks confidential treatment for certain information that it claims is proprietary.

In Reports 2 and 4, Burlington Hydro redacted lists of companies contained in Korn Ferry's All Industrial Market and All Ontario Utilities Market databases.¹ OEB staff previously addressed these confidentiality claims in its February 26, 2021 submission. OEB staff repeats and relies on those submissions.

Burlington Hydro's reply submission also asserted confidentiality over the following new pieces of information:

- *Report 1: The MEARIE Group 2020 Management Salary Survey (September 2020)*

Burlington Hydro requests significant portions of this report be treated as confidential. Among other things, Burlington Hydro asserts making the report public would result in MEARIE losing the ability to sell the report for financial gain and that the report consists of commercial material that is treated in a confidential manner by Korn Ferry (and therefore MEARIE). Burlington Hydro further argues that the MEARIE report "contains Union and Non-Union historical and forecasted compensation information" which could prejudice Burlington Hydro's 2021 collective bargaining process with the IBEW in 2021.

OEB staff notes historical unionized worker compensation information is not confidential as all union contracts are made public by the Ministry of Labour, Training and Skills Development at [Collective Agreements e-Library Portal \(gov.on.ca\)](https://www.gov.on.ca/collective). Moreover, the MEARIE report contains compiled historic benchmarking data up to 2021 and does not contain future compensation strategies, nor past or future compensation strategies

¹ Report 2, Appendix A – All Industrial Market, pages 53-55, Appendix B – Ontario Utilities Market page 56; Report 4, Appendix A – All Industrial Market, pages 15-17, and Appendix B – Ontario Utilities page 18.

specific to Burlington Hydro. Historical non-union compensation history does not necessarily provide indicators of future compensation strategies due to changing economic and business conditions. As a result, OEB staff is unclear of the nature of the confidentiality concern as it relates to union negotiations.

In its February 26, 2021 submission, OEB staff noted that the OEB has ordered MEARIE reports be placed on the public record in other proceedings.² While the 2020 MEARIE report contains new sections on Engineer Compensation and COVID-19 Strategies that may not have been contained in previous MEARIE reports, Burlington Hydro has not satisfactorily explained why such information should be redacted from the public record. Moreover, Burlington Hydro has not explained how the MEARIE reports at issue in this proceeding differ in character from previous MEARIE reports that were ordered to be put on the public record.

OEB staff submits that no new information has been provided in Burlington Hydro's March 5, 2021 reply submission to change OEB staff's previous position that Report 1 should be placed on the public record in its entirety.

- *Report 2: Observations and Key Findings, page 11*

This page of the report contains blended information and target compensation positions for management employees. Similar information has been placed on the public record in the other OEB proceedings.³ OEB staff submits that this is high level information that should be on the public record.

- *Report 2: Appendix C – Overview of Job Evaluation, page 57; Report 4: Appendix D – Overview of Job evaluation, page 20*

OEB staff is unclear as to the nature of the confidentiality concern in light of publicly available information about Korn Ferry's job evaluation method (see, for example at [job-evaluation.pdf \(kornferry.com\)](http://job-evaluation.pdf(kornferry.com))). OEB staff submits that Appendix C of Report 2 and Appendix D of Report 4 do not warrant confidential treatment and should be placed on the public record.

~All of which is respectfully submitted~

² EB-2011-0099, Decision on Confidentiality, March 13, 2013, p. 6.; EB-2013-0115/EB-2013-0159/EB-2013-0174, Decision and Order on Confidentiality, May 29, 2014, pp. 7-8, 11.

³ EB-2019-0082, Hydro One Inc. Management Compensation Benchmarking Study, Willis Towers Watson, February 2019, pp. 11-14, Exhibit F-4-1 (filed March 21, 2019).