ALLOCATION OF SUPPORT SERVICES COSTS

1.0 PURPOSE

The purpose of this evidence is to describe the Support Services costs assigned and allocated to the nuclear business.

2.0 OVERVIEW

The centre-led Support Services discussed in this exhibit, which provide services to the nuclear business are: the Chief Information Office, Real Estate, Supply Chain, Finance, Human Resources, Environment, Health & Safety and the Corporate Centre. Section 3 discusses the Support Services costs. A description of Support Services by function is provided in Attachment 1.

In EB-2016-0152, the OEB directed OPG to file an updated corporate costs benchmarking study.[1] In response, OPG engaged The Hackett Group to perform an independent benchmarking study of OPG's corporate support functions and operating costs. This study identifies that, overall, OPG's total cost for the areas addressed is 8% below the median of the peer group total cost. An overview of the benchmarking study is provided in Section 4 and the full report is provided in Attachment 2.

Support Services costs are either directly assigned or allocated to the regulated businesses. OPG directly assigns costs that are specific to a business. For example, Support Services employees working at, and solely in support of, a business would be directly assigned to that business. Support Services costs that are associated with services utilized by more than one business are allocated. Cost allocation is based on appropriate cost drivers, which reflect cost causation or the benefits a business receives.

[1] EB-2016-0152, Decision with Reasons, p. 72.

The methods used to allocate costs are discussed in Ex. F3-1-4 and confirmed by Elenchus in Ex. F3-1-4, Attachment 1.

3.0 SUPPORT SERVICES COSTS – TOTAL OM&A

Exhibit F3-1-1, Table 1 summarizes the total Support Services costs over the 2016-2026 period. These costs reflect reductions achieved by OPG through a variety of initiatives since EB-2016-0152. Since then, OPG has realigned support organizations and implemented technology solutions to improve efficiency. This has also allowed OPG to meet demand for corporates services while leveraging attrition based on workforce demographics.

Various support organizations have also moved from organizing themselves along traditional business unit technology lines (i.e., nuclear and hydroelectric) toward organizations designed to capture common best practice elements found across the company. For example, in Finance, planning and reporting functions were established under an Operations Controller organization that services the whole company using common practices rather than having functions replicated for each generation technology. Also, as discussed in Ex. A2-2-1, OPG's most recent organizational realignment allowed OPG to eliminate over 10% of management positions, the benefits of which are carried through the IR term.

Between 2022 and 2026, OPG is planning to reduce the company's cost structure for post-Pickering operations as reflected in the business plan OM&A targets to be achieved over the IR Term (see Ex. A2-2-1). OPG's OM&A targets show reductions in Support Services costs in earlier years as cost savings initiatives are implemented to support efficiencies in centre-led functions and processes. Greater cost reductions occur in the later years in order to achieve OPG's targeted post-Pickering cost and organizational structure.

To that end, Support Services costs attributed to the nuclear business decline across all functions over the IR term, reflecting OPG's business plan commitments to mitigate the diseconomies that would otherwise result in the reallocation of Support Services costs currently tied to Pickering to Darlington and other remaining operations.

Allocated Support Services costs for nuclear are: $387.9M, $380.0M, $375.3M, $334.3M and $252.9M over the 2022-2026 IR term, as presented in Ex. F3-1-1, Table 3. Over the IR term, total nuclear Support Services costs decline by about 35%. Larger declines in the latter two years occur as OPG drives further cost reductions to align with two Pickering units coming offline by the end of 2024 and the planned Pickering shutdown at the end of 2025.

OPG expects that the reduction of costs in Support Services groups will be achieved by: (1) continuing to reduce its real estate footprint by investing in a new, sustainable corporate campus for OPG's non-plant employees (see Ex. D3-1-1, Section 2.2); (2) adopting solutions that will allow OPG to reduce headcount, including the increased use of business process automation and artificial intelligence (Ex. D3-1-1, Section 2.1); and (3) executing strategic sourcing and company-wide category management in the Supply Chain organization (Ex. F3-3-1). The ongoing realignment of organization structures to replicate best practices consistently across the business, which will allow Support Services to take advantage of natural attrition and plan for leaner operations in advance of nuclear units coming off line also will facilitate achievement of OPG's targeted post-Pickering cost and organizational structure.

OPG's Support Services Costs reflect the requirements of Bill 124: Protecting a Sustainable Public Sector for Future Generations Act, 2019, which limits the maximum annual increase in both wages and total compensation for OPG's unionized and non-unionized employees to 1% for a three year "moderation period," as further discussed in Ex. F4-3-1.

In line with its goal of preparing the workforce for the planned Pickering shutdown, OPG's staff resource plan forecasts a decrease in regular corporate staff (full-time equivalents ("FTEs")) allocated to nuclear over the IR term (Ex. F3-1-1, Table 7). To effectively manage the transition, however, OPG expects a slight increase in overall allocated labour (regular and non-regular FTEs) in 2020 and 2021, due to an increase in non-regular labour FTEs to address requirements for enhanced cleanings and safety measures in response to the COVID-19 pandemic; partially offset by a decline in regular labour. Non-regular labour FTEs will also address Support Services needs in support of Pickering shutdown, taking into account training time requirements and anticipated attrition leading up to the planned Pickering shutdown. Thereafter, during the period of 2022 to 2025, OPG expects labour (regular and non-regular) to decline.

The emergence of COVID-19 in 2020 impacted Support Services costs in a number of ways. Real Estate has engaged additional personnel to carry out enhanced cleaning protocols and safety measures at various sites in line with disinfection guidelines set by public health authorities. Supply Chain procured the company's initial shipment of N95 and surgical masks during the early stages of the pandemic. Environment Health and Safety assumed responsibility for subsequent purchases of personal protective equipment ranging from additional masks to thermometers for the remainder of 2020 and are expected to continue through 2021. CIO acquired additional software licenses and incremental hardware to enable the workforce, at various non-generating sites, to rapidly transition to working remotely in order to comply with social distancing requirements.

Exhibit F3-1-1, Tables 3a and 3b present the Support Services costs assigned and allocated to nuclear over the historical, bridge, and IR term periods for each corporate function. For comparability with IR Term information, OPG has restated the Corporate Support & Administrative costs from EB-2016-0152. These restatements reflect organizational changes and transfers to/from Nuclear Support and Renewable Generation & Power Marketing (formerly Hydro-Thermal Operations). Details of these changes include:

- CIO - Shared Financial Services (formerly in Finance), HR Service Centre and Payroll Services (both formerly in People & Culture), and Business Infrastructure Services (formerly in Real Estate) have been combined into Shared Services within Chief Information Office. An additional breakdown of CIO costs assigned and allocated to nuclear over the historical, bridge, and IR Term periods is provided in Ex. F3-1-1, Table 6, with Tables 6a and 6b showing the amounts in Table 6 split between Darlington and Pickering, respectively.
- Finance - now includes Assurance other than Nuclear Oversight (formerly in Corporate Centre), Enterprise Risk Management (formerly in Corporate Centre) and Integrated Revenue Planning (formerly in Commercial Operations & Environment).
- Human Resources (formerly People & Culture) - now excludes Nuclear Training, which has been transferred to Operations Support.
- Environment, Health & Safety - includes Environment (formerly in Commercial Operations & Environment) and Health & Safety (formerly in People & Culture).
- Corporate Centre - now includes Regulatory Affairs (formerly in Commercial Operations & Environment) and Indigenous Relations (formerly in Hydro-Thermal Operations. Corporate Centre now excludes Nuclear Oversight, which has been transferred to Operations Support. The Corporate Centre costs for the years 2020-2026 in Ex. F3-1-1 Table 1 reflect the current organizational structure underpinning the 2020-2026 business plan.
- Commercial Contracts, other than Commercial Services and Bruce Lease Management Office, and Electricity Sales & Trading (both formerly in Commercial Operations & Environment), have been combined into Energy Markets within Renewable Generation & Power Marketing. Commercial Services and Bruce Lease Management Office have been transferred to Operations Support.

4.0 BENCHMARKING STUDY

In EB-2016-0152, the OEB directed OPG to undertake an independent benchmarking study of corporate support functions and costs. The Hackett Group ("Hackett") was

retained to carry out this study. A copy of the "Hackett Study" is filed as Attachment 2 to this exhibit.

Hackett benchmarked OPG against peers using 2019 data in order to reflect the most recently completed fiscal year at the time of the benchmarking exercise. Corporate costs assigned and allocated to both nuclear and regulated hydroelectric businesses were included in the scope of the benchmarking study.

Consistent with their standard practice, Hackett normalized OPG's corporate costs based on key demand drivers for each function. For IT, number of end users was used to benchmark costs per end user. For HR, number of employees was used to benchmark costs per employee. For Procurement, spend was used to benchmark costs as a percentage of spend. For Finance, Real Estate, and Executive and Corporate Services ("ECS"), revenues were used to benchmark costs as a percentage of revenues.

In providing data to Hackett, OPG closely followed Hackett's methodology, cost definitions and taxonomy to ensure OPG's corporate support functions and costs were benchmarked against peers on a comparable basis. OPG's data was reviewed by Hackett.

In the course of providing data to Hackett, OPG and Hackett became aware that in connection with the study previously prepared by Hackett in 2016, based on 2014 data (filed in EB-2016-0152 at Ex. F3-1-1, Attachment 1), OPG had erroneously included certain costs that do not form part of Hackett's taxonomy. These costs had a material, negative impact on OPG's 2016 benchmarking results as presented in EB-2016-0152.

As a result of the above data issue, OPG worked with Hackett to correct the previously submitted 2014 data to more accurately align OPG's 2014 costs with the Hackett methodology, definitions and taxonomy. Hackett then restated its previous OPG benchmarking study using the corrected cost data. The results of this update are also

shown in the Hackett Study. OPG's 2014 overall costs, based on Hackett's updated study, were 7% lower than the peer group based on these corrected results.

The 2019 Hackett Study found that on an overall basis, OPG's cost (including both Process Costs and Technology Costs[1]) is 8% lower than the median of the peer group. The 2019 study demonstrates that:

- OPG's IT cost, including technology cost, across all in-scope functions, is lower than the median of the peer group and remains in the first quartile.
- ECS process costs are in the second quartile, below the median of the peer group, an improvement from the third quartile in the 2016 updated study.
- Real Estate & Facilities Management costs exceed the peer group median, but OPG has reduced its costs while the peer group's costs have increased since 2016. OPG's cost performance has improved from the fourth to the third quartile.
- Finance and HR process costs both are marginally above the median of the peer group. Compared to the 2016 updated study, OPG's Finance process costs improved relative to the peer group median, OPG's costs decreased while those of the median increased. HR also shows some improvement as its cost increased less that those of the peer group median. Both groups remain in the third quartile.
- Procurement process costs show improvement as OPG's costs decreased while those of the peer group median increased. Nevertheless, OPG's results remain in the fourth quartile.
-

Overall, OPG is successfully "bending the cost curve." OPG's functional costs decreased by 6.0% and the peer group's costs increased 13.0% since the 2016 study.

5.0 CONCLUSION

OPG's Corporate Support and Administrative Cost allocated to nuclear decline over the IR Term as the result of corporate realignment, corporate initiatives to leverage process improvements and technology and the use of workforce strategies that recognize the

[1] All technology costs are captured within IT.

upcoming transformation from Pickering shutdown. The decline in support costs allocated to nuclear is substantial in the latter years of the IR term as OPG advances toward and then enters a post-Pickering operating state.

The benchmarking of OPG's corporate support function costs shows, overall, that OPG's costs are lower than the median of the peer group by 8%. Moreover, OPG's cost trend is significantly more favourable than that of the peer group. While OPG's benchmarked costs have declined 6.0% since the last benchmarking study, those of the peer group have increased by 13.0%.

ATTACHMENTS

Attachment 1: Description of Corporate Support Functions

Attachment 2: Benchmarking Study of OPG's Corporate Support Functions and Costs prepared by The Hackett Group

DESCRIPTION OF CORPORATE SUPPORT FUNCTIONS

1. Introduction

This Attachment describes the corporate functions that support nuclear production and whose costs are assigned or allocated to the nuclear business and form part of the nuclear revenue requirement.

2. Chief Information Office

The Chief Information Office ("CIO") group oversees OPG's information management and information technology needs. The CIO is accountable for the strategic planning, management, and operations of all business and technical information systems, except for process computers that control plant systems and operations. The CIO also administers OPG's information management and governing documents framework.

2.1 CIO Services

CIO services are provided through a combination of internal staff and an outsource service contract with New Horizon System Solutions ("NHSS"), owned by Cap Gemini. NHSS delivers application and infrastructure management services across OPG. OPG's CIO provides application management services to Corporate Business Development and Strategy due to the commercially sensitive nature of the applications, as well as specific infrastructure and application management services to staff at the hydroelectric sites.

2.2 NHSS Services

NHSS services, which include Infrastructure Management, Application Maintenance, and Data Centre Services, are described in more detail below.

Infrastructure Management

Infrastructure Management provides services such as network management for both data and voice and end-user services such as service desk management and desktop support. It also provides IT security, disaster recovery and business continuity planning.

Application Maintenance

Application Maintenance provides day-to-day support for OPG's business applications including: application maintenance and support, applications operations and monitoring, application upgrades, and database and middleware support. The CIO also works closely with application owners to plan for patches and technical upgrades, life cycle planning, release management, testing and commissioning, and overall demand management.

Data Center Services

Data Centre Services provides management of the mainframe and servers, storage and backup system, capacity planning and performance tuning, system operations and monitoring, and IT facilities.

Other Services

The Other Services category includes costs for remote technician expenses.

2.3 CIO Support Services

The CIO Support Costs category includes internal IT support group costs of providing IT Services, IT Projects, IT Strategy Enterprise and Architecture, Cyber Security and Shared Services. Each of these activities is explained below.

It Services

IT Services provides delivery oversight (for NHSS and others), application development and maintenance for Commercial Operations, IT change management, IT asset management, information management, telecom contracts management and IT emergency response.

IT Projects

IT Projects manages the delivery and execution of IT projects.

IT Enterprise Strategy and Architecture ("ES&A")

ES&A manages OPG's IT architecture at an enterprise level (including applications, data and technology managed by IT to support the objectives of the corporation), works with the

business to provide enterprise business relationship management, and manages the digital innovation strategy (including the IT Strategy, IT Portfolio planning and business planning). ES&A also includes the CIO Business Office, which is responsible for managing the outsourcing contract with NHSS and the CIO ICOFR program.

Cyber Security

Cyber Security is responsible for the implementation of the management system for cyber security of IT and Operation Technology across OPG's operating units. IT Security Operations is responsible for identity and access management, threat and vulnerability management, disaster recovery, business continuity, security incident response, NERC CIP compliance, CSA N290 compliance, security support for industrial control systems, and training and awareness.

Telecom/Hardware/Software

Telecom/Hardware/Software includes telecom services from external service providers along with associated hardware purchases and software maintenance contracts.

2.4 Shared Services

Shared Services provides a suite of administrative services to OPG clients including, pay services, human resources service centre, shared reporting systems management, handling accounts receivables and payables, records management and storage, document processing, graphics and printing services, mail and courier service, audio/visual, office equipment and supplies, library services, and administrative support. These services are provided to staff located at OPG Head Office, Pickering, and Darlington, as well as other nuclear groups at office locations in Durham Region.

3. **Real Estate**

The Real Estate group provides centralized support services through Real Estate Services, Facilities Services, and Projects and Accommodations.

3.1. Real Estate Services

On a corporate-wide basis, Real Estate Services acquires, manages and disposes of real estate rights and interests; manages all commercial leases; consults on municipal planning issues; maintains real estate and property documents; develops and implements accommodation strategies to meet space requirements outside the generating stations; and, provides property tax services for all property owned by OPG. In addition, this group manages the Heritage Assessment program, waterfront leasing, and the employee relocation program.

3.2. Facilities Services

Facility Services provides property management services including maintenance and inspection of buildings and technical site infrastructure at OPG's facilities. The systems and facilities addressed include mechanical, electrical, fire/life safety, plumbing, waste management, lighting, parking lots, roadways and bridges. Custodial services, grounds maintenance (snow clearing and landscaping), and food services are also provided by this group. In addition, Facilities Services operates three garages, which provide inspection and maintenance for all motorized work equipment at the nuclear sites.

3.3. Projects and Accommodations

Projects and Accommodations is responsible for developing the long-range facilities and accommodations plans, managing employee office moves and the budgeting, planning and executing of all facility construction, maintenance, demolition and workplace reconfiguration projects. Oversight of contractors involved in facility and reconfiguration projects is also provided by this group.

4. Supply Chain

Supply Chain is responsible for procuring products and services, managing commercial contracts, and performing inventory management. Supply Chain focuses on maintaining the integrity of the procurement process with a goal of delivering value for money by leveraging enterprise spend across many different categories of products and services to support OPG's operations. The Supply Chain operating model for procuring products and services is supported by:

- Category Management team – conducts market analysis to develop and executes product and service category strategies to take to market with a goal of establishing commercial contracts/agreements.
- Inventory & Materials Management – manages the OPG Inventory catalog/sku (stock-keeping unit) item list; assures appropriate purchasing standards and procedures; and confirms that stocking parameters are accurate and up to date.
- Fleet Purchasing – Issues Purchase Orders utilizing established commercial contracts/agreements as well as standalone purchases.
- Warehousing & Logistics – manages the care and custody of OPG's material inventory held within the central warehouse facility and the internal station warehouse stores located at Pickering and Darlington.

5. Finance

Finance provides strategic advice, services, and support in the areas of treasury, finance and controllership, assurance and risk management and fund management.

5.1. Treasury

The Treasury group is responsible for OPG's financing, cash management, financial exposure management, capital structure management, credit market risk and insurance. The insurance department is responsible for both insurance contracting and claims processing.

5.2. Controllership

The Finance and Chief Controllership includes Controllership, Business Planning and Reporting and Income Tax.

Controllership provides services directly to Nuclear, Hydroelectric and Support Services groups. Staff are directly assigned to the business units and are located at the production sites they support.

The Business Planning and Reporting group provides external reporting, business planning, actuarial calculations and forecasting, and generation and revenue planning. Within Business

Planning and Reporting, the External Reporting and Policy group prepares consolidated financial statements, external reporting, and maintains accounting policies and procedures in accordance with U.S. Generally Accepted Accounting Principles.

Income Tax deals with tax returns and compliance, provides OPG's business unit support and consulting, and offers tax code advice to OPG's accounts payable, accounts receivables and procurement teams.

5.3. Assurance and Enterprise Risk Management

The Assurance group includes Internal Audit and Enterprise Risk Management. Internal Audit provides independent, objective assurance of the organization's operations; evaluates the effectiveness of governance and controls; and, maintains a strategic audit plan which includes key risk audits, mandatory audits, cyclical audits, major project audits, contract audits and other audits and reviews. The Enterprise Risk Management function assesses, reports and provides risk mitigation recommendations focused on the enterprise and specific business activities.

5.4. Fund Management

Fund Management is responsible for management and oversight of OPG's Nuclear Used Fuel Fund, Nuclear Decommissioning Fund, and OPG's Pension Fund. The investment management of these three funds has been outsourced to third party investment managers. Management and oversight of the three funds includes recommending the strategic asset mix for each of the funds, monitoring compliance with legislation and agreements, selection of investment managers, carrying out due diligence audits, and providing monitoring and oversight of the fund activities.

6. Human Resources

Human Resources ("HR") enables OPG and its leaders to build a productive, engaged workforce with the right people, possessing the right skills, in the right roles to achieve business results. The Human Resources function is responsible for labour relations, compensation and benefits, enterprise HR strategy, talent programs, leadership training, and recruitment. Its specific accountabilities by organization are described below.

6.1. HR Nuclear, Renewable Generation and Corporate

Human Resources provides strategic advice to the business units and leads the implementation of Human Resources programs across OPG.

6.2. Labour Relations

The Labour Relations group oversees OPG's collective bargaining efforts, manages all labour relations activities to ensure compliance with collective agreements and labour legislation, and to ensure policies for represented staff are applied consistently and correctly.

6.3. Compensation and Benefits

The Compensation and Benefits group develops and manages the compensation and benefits program to achieve the company's business objectives and provides analytical support related to work force planning and HR program management.

6.4. Enterprise Human Resources Strategy

The Enterprise Human Resources Strategy team leads business changes from a human resource perspective, manages talent and change, provides human resources process re-engineering and continuous improvement. The HR Systems Projects group implements new systems, enables process changes and maintains current systems.

6.5. Talent Programs and Leadership Training

Talent Management and Leadership Training acts to develop and retain staff with the skills and experience required to meet the company's needs. It co-ordinates succession planning to ensure that critical skills and business knowledge are maintained and that corporate leadership requirements are met.

6.6. Recruitment

Recruitment works to recruit talent and successfully onboard skilled staff. It ensures that staff successfully settle in their roles and are able to thrive within OPG's environment.

7. Environment and Health & Safety

The Environment, Health & Safety (EHS) organization develops and maintains EHS managed systems, programs and initiatives that support all employees in the company. The group provides expertise and operational support to OPG facilities, projects and functions to meet EHS compliance obligations. It acts to minimize EHS risks and impacts, and advises on management of environmental issues, health and safety hazards, prevention of workplace injuries, and wellness to support a strong safety culture and overall employee health. The group reports on OPG's environmental and health & safety performance, seeks opportunities for EHS leadership and innovation. Finally, it provides assessment and specialist support in the areas of aquatic and terrestrial biology, contaminated land and groundwater, radiological management, air and water emissions, waste and spills management, safe work planning, psychosocial hazards, permits and approvals, regulations, licenses, orders to comply, and legislative monitoring.

8. Corporate Centre

8.1. Executive Office

The Executive Office is responsible for the overall management and strategy of the company.

8.2. Law

In addition to Law's legal group, Law includes Corporate Governance and Corporate Secretary, and Ethics and Equity.

a) Law (Legal Group)

Law's legal group provides legal advice and services to support all business units across OPG, including support for various procurement activities and corporate and commercial matters. Law's legal group provides advice related to OPG's pension and nuclear funds; real estate; Bruce lease and related agreements and water resources; municipal approvals and land use planning; energy markets and regulatory matters, including the OEB payment amount application; environmental approvals and compliance; nuclear licensing; litigation; First

Nations and Métis issues; freedom of information requests; occupational health and safety compliance; and labour, employment and privacy law.

b) Corporate Governance and Corporate Secretary

The Corporate Governance and Corporate Secretary function under law supports OPG's Board of Directors and the Executive Office, and interfaces between the OPG Board, management and OPG's shareholder. It also contains the Freedom of Information and Intellectual Property (FOI&IP) function. FOI&IP provides access to information in the custody or control of OPG.

c) Ethics and Equity

OPG is committed to being an ethical company and we expect all employees to also act in an ethical manner. This means conducting ourselves and all aspects of the business with honesty and integrity. Ethics and Equity ensures that OPG remain committed to these values and creates an environment that values diversity and is inclusive to all.

8.3. Corporate Business Development and Strategy

Corporate Business Development and Strategy includes Strategic Initiatives, Finance and Commercial, and Model Development & Analytics groups.

a) Strategic Initiatives

Strategic Initiatives is responsible for developing and annually updating OPG's corporate strategy, including a growth and transformation strategy, as well as executing various elements of it. The group is also responsible for evaluating and executing opportunities for growth through business development, including hydroelectric redevelopment, and acquisitions that align with the corporate strategy and for transportation electrification, a critical element of de-carbonization of the broader economy.

b) Finance & Commercial

The Finance and Commercial group offers expert financial and analytical advice to support decision making for OPG's strategic initiatives and business development work. This group is

responsible for conducting financial assessments of major capital projects, business development opportunities, commercial contracts, and acquisitions. The group's role also includes the identification of risks and mitigation strategies, as well as options to improve financial returns of projects.

c) Model Development & Analytics

Model Development and Analytics develops and maintains the tools that are used to determine the price and quantity of OPG's offers submitted into the IESO market. The group develops electricity market simulation and forecasting models that are used to prepare OPG's generation and revenue plan and performs a variety of analytical studies that support OPG's strategic initiatives.

8.4. Corporate Affairs

Corporate Affairs comprises Corporate Communications, Indigenous Relations, Stakeholder Relations, Federal and Provincial Relations and Brand Management. Overall, Corporate Affairs supports transparency and accountability by ensuring the company's information is shared in a clear and timely manner with the public, stakeholders and community partners. Corporate Affairs' focus on educational and outreach efforts supports the company's social licence by raising awareness and understanding of the company's projects and operations and building relationships.

a) Corporate Communications

Corporate Communications supports the company's efforts to create a strong safety culture and an innovative, customer-focused workforce by delivering communications to build employee engagement across the organization.

b) Indigenous Relations

Indigenous Relations works with Indigenous communities, proximate to OPG's present and potential future operations to foster positive and mutually beneficial relationships that will create social and economic benefits through partnerships and collaboration.

c) Stakeholder Relations

Stakeholder Relations provides communications support and public and stakeholder outreach as part of ongoing efforts to ensure transparency, accountability and to earn and maintain strong local relationships and social license for OPG to operate its facilities. Major focus areas are ensuring clear and timely communications on key projects, public safety efforts, water management, and operations performance. This includes ensuring timely information sharing with safety regulators like the Canadian Nuclear Safety Commission.

d) Federal and Provincial Relations

Federal and Provincial Relations ensures an ongoing and timely flow of information to support policy and program formulation and to build awareness of key business priorities across all levels of government. Internally, this group helps ensure awareness of and alignment with government priorities and policies. This group also works to support Shareholder Relations and information access requirements.

e) Brand Management

Brand Management delivers a range of audience-focused education and information programs with an emphasis on digital and social media platforms. This includes delivering an ongoing water safety program as well as efforts to raise awareness of critical energy and environmental initiatives. This group also administers the corporate citizenship program across all site communities.

8.5. Regulatory Affairs

Regulatory Affairs is responsible for OPG's interactions with economic and grid reliability regulators. These include the OEB, IESO, CER, NPCC, NERC, and other Canadian and U.S. regulators that affect OPG’s operations. Regulatory Affairs provides strategy and advice, and also manages regulatory interactions to obtain approvals and outcomes that allow OPG to accomplish its business goals. Additionally, Regulatory Affairs develops and administers company-wide programs to ensure compliance with market and reliability rules and regulations, and is responsible for OPG’s major rate applications before the OEB.

Updated: 2021-03-19
OEB-2020-0290
Exhibit F3-1-1
Attachment 2
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The Hackett Group
World Class Defined and Enabled

ONTARIO POWER GENERATION

Ontario Power Generation, Inc. (OPG)

Benchmark Results Presentation

December 2020

Agenda

- Executive Summary
- Benchmark Methodology
- Peer Overview
- Results

Executive Summary

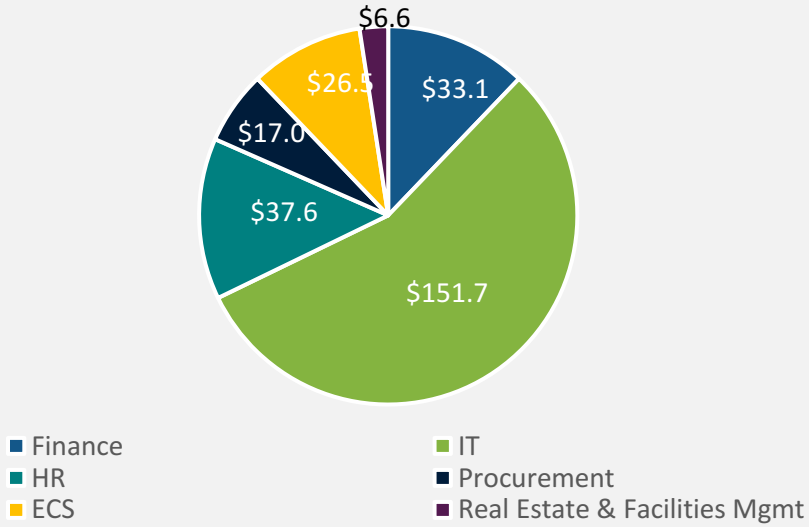
Overview

- Ontario Power Generation (OPG) has engaged The Hackett Group to perform an independent benchmarking study of OPG's corporate support functions and operating costs for the regulated business
- While performing the 2019 study, OPG requested Hackett to re-state the EB-2016-0152 benchmarking study as a result of determining that there were data inclusions inconsistent with Hackett's taxonomy (the restated 2016 study). The 2016 study was based on OPG's 2014 data.
- Hackett leveraged its expertise and well-defined taxonomy to deliver the following cost assessment to Peers

2019 Study General Observations

- Overall OPG 2019 cost (Process Cost and Technology Cost) for the in-scope areas is $272.6 million, which is 8% below the 2019 peer group. OPG's overall costs were 7% below the peer group based on the results from the restated 2016 study.
- OPG's IT cost, including technology cost across all in-scope functions, is 20% below the peer median and remains in the first quartile.
- ECS process costs are 2% below the peer group median, an improvement from the third quartile in the restated 2016 study.
- Real Estate & Facilities Management process costs exceed the median of the peer group, but OPG has reduced costs while the peer group's costs increased since 2016. OPG's cost performance improved from the fourth quartile to the third quartile of the peer group.
- Finance and HR process costs are marginally above the median of the peer group. Compared to the restated 2016 study, Finance process costs improved relative to peer group median. HR also shows modest improvement.
- Procurement process costs of $17.0 million are at the upper end of the peer group range, but show improvement relative to the restated 2016 study.
- OPG is successfully 'bending the cost curve' and OPG's functional costs decreased by 6% and the peer group's costs increased 13% since the restated 2016 study.

OPG 2019 Total Cost (Process Cost + Tech Cost[1]) in millions



[1]Technology cost included within the IT function cost

Agenda

- Executive Summary
- Benchmark Methodology
- Peer Overview
- Results

Benchmark Methodology

Data Guidelines and Benchmark Scope

- **Scope:** All OPG Regulated Operations
- **Benchmark data collection period:** Fiscal Year 2019
- All monetary values are in Canadian Dollars (CAD)
  - PPP (Purchasing Power Parity) was used to adjust the peer data from USD to CAD
  - A 2% per year inflation rate was applied to the peer companies to normalize the data
- Technology Cost captured and compared within the IT Function
- Out of scope - the below items were excluded from the peer group to mirror the scope of OPG's functions:
  - Finance: Revenue Cycle processes
  - Procurement: Product Development, Design and Support
  - Executive & Corporate Services: Security, Legal – M&A, Cafeteria & Catering Services,
- Hackett's process taxonomy is applied independent of OPG's organizational structure and functional reporting lines, thereby facilitating an "apples to apples" comparison

2016 Data Restatement

- In collaboration with Hackett, OPG updated the 2016 data submission for EB-2016-0152 to correct data inclusions to more accurately align costs with the Hackett methodology, definitions, and taxonomy (the restated 2016 study).
- In addition, Hackett updated the peer group scope to mirror the scope of OPG's functions.
  - Excluded the space cost, training costs, travel costs, & other miscellaneous costs previously captured in each function. These costs were also excluded in OPG's submission
  - This included excluding Technology Cost from each function and included it in the IT Function.
  - The Procurement benchmark data has been normalized using spend for consistency with the 2019 study.
  - Included transferable skills training in the HR function costs.
  - HR benchmark data has been normalized data using average number of employees for consistency with the 2019

Benchmark Comparison

- **Peer Group**
  - Represents the median of a group of companies that have similar industry characteristics and size to OPG

Normalization of Benchmark Data

- Normalization of peer data by function is appropriate and consistent with Hackett methodology
- **Finance and Executive & Corporate Services (ECS) Functions**
  - Peer data normalized based on revenue in 2019 of $5.07 billion
- **IT Function**
  - Peer data normalized based on End-User Equivalents (EUE) in 2019 of 14,664
- **HR Function**
  - Peer data normalized based on average employees in 2019 of 9,878
- **Procurement Function**
  - Peer data normalized based on spend in 2019 of $2.27 billion

Revenue: *External Revenue Only, intercompany revenue not included. OPG includes revenue associated with regulated operations only. OPG revenue is adjusted to account for revenue deferred to future periods.*

End-User Equivalents (EUE): *An individual (typically either an employee or contractor) that spends at least 10% of his or her time using a company provided, funded, supported computing device that is part of the company's IT infrastructure (i.e. desktops, laptops, hand-held devices, etc.) to support his or her business function. The user must have direct access to internal applications/systems to execute specific transactions on behalf of the company. OPG used LAN IDs as a proxy for end users. OPG included end users associated with regulated operations only.*

Employees: *Full-time, part-time, temporary, seasonal, and contingent employees . OPG included employees associated with regulated operations only.*

Spend: *Spend refers to the cost of direct and indirect materials and services purchased (i.e., disbursements) in the period measured by this benchmark. OPG included spend associated with regulated operations only.*

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Hackett's process taxonomy was applied to ensure an apples-to-apples comparison

Finance

- **Transactional**
  - Cash Disbursements
  - General Accounting & External Reporting
- **Control and Risk Management**
  - Tax Management
  - Treasury Management
  - Compliance Management
- **Financial Planning and Analysis**
  - Planning and Forecasting
  - Business Performance Reporting & Analysis
- **Management & Administration**
  - Finance Function Management

Procurement

- **Operations and Compliance**
  - Supply Data Management
  - Requisition and PO Processing
  - Supplier Scheduling
  - Receipt Processing
  - Compliance Management
- **Sourcing and Supply Base Management**
  - Customer Management
  - Sourcing Execution
  - Supplier Management and Development
- **Planning and Strategy**
  - Sourcing and Supply Base Strategy
- **Management and Administration**
  - Function Strategy and Performance Management
  - Procurement Function Management

Real Estate & Facilities Management

- **Real Estate & Facilities Management**
  - Facilities Management (for office space)
  - Real Estate Management

Human Resources

- **Transactional**
  - Total Rewards Administration
  - Payroll Services
  - Data Mgmt., Reporting, & Compliance
  - Exit Management
- **Employee Life Cycle**
  - Recruiting & Staffing
  - Performance and Talent Development
  - Organizational Effectiveness Services
- **Planning and Strategy**
  - Total Rewards Planning
  - Strategic Workforce Planning
- **Management and Administration**
  - HR Function Management

Information Technology

- **Plan**
  - IT Business Relationship Management
  - Enterprise Architecture & Emerging Technologies
  - IT Demand & Portfolio Management
- **Build**
  - Infrastructure Development & Deployment
  - Application Development & Deployment
  - Information Data Sourcing & Integration
- **Run**
  - Infrastructure Management
  - End User Support
  - Application Maintenance
  - Risk & Security Management
- **Manage**
  - IT Function Management

Executive & Corporate Services (ECS)

- **Administrative Services**
- **Legal**
- **Risk and Environmental Health & Safety**
- **Corporate Communications**
- **Executive Office**
- **Other**
  - **Government Affairs**
  - **Planning and Strategy**

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Agenda

- Executive Summary
- Benchmark Methodology
- Peer Overview
- Results

OPG Peer Group

Peer Group

Composite Peer Group

EnergyAustralia
Public Service Energy Group
National Grid plc
Portland General Electric Company
EPCOR Utilities Inc.
Pinnacle West Capital Corporation
Puget Sound Energy Inc
ENMAX Corporation
Kinder Morgan
NiSource
Duke Energy Corporation
Vattenfall GMBH
Florida Power & Light Company
Algonquin Power & Utilities Corporation

Nuclear Operators

Pinnacle West Capital Corporation
Public Service Energy Group
Florida Power & Light Company
Duke Energy Corporation
National Grid plc
Vattenfall GMBH

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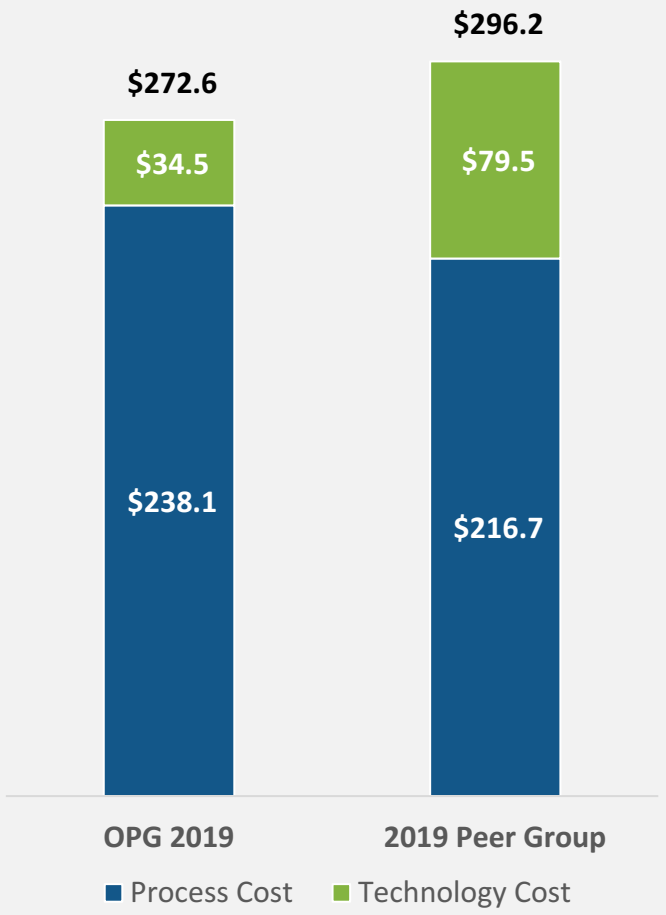
Agenda

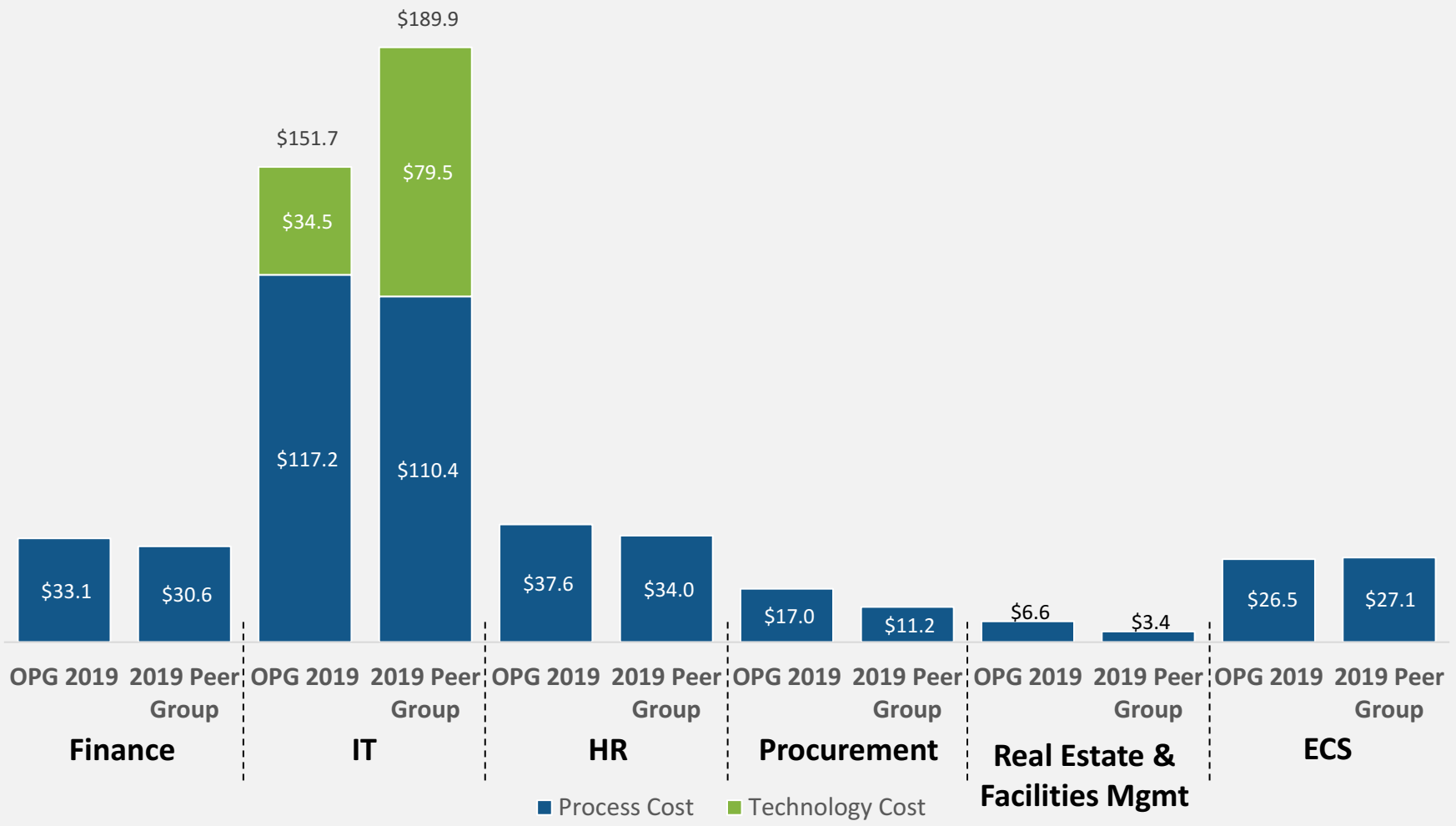
- Executive Summary
- Benchmark Methodology
- Peer Overview
- Results

Process Cost and Technology Cost Comparison by Function

Process Cost and Technology Cost[1] ($M)



Cost by Function ($M)



[1]Technology cost compared within the IT function cost

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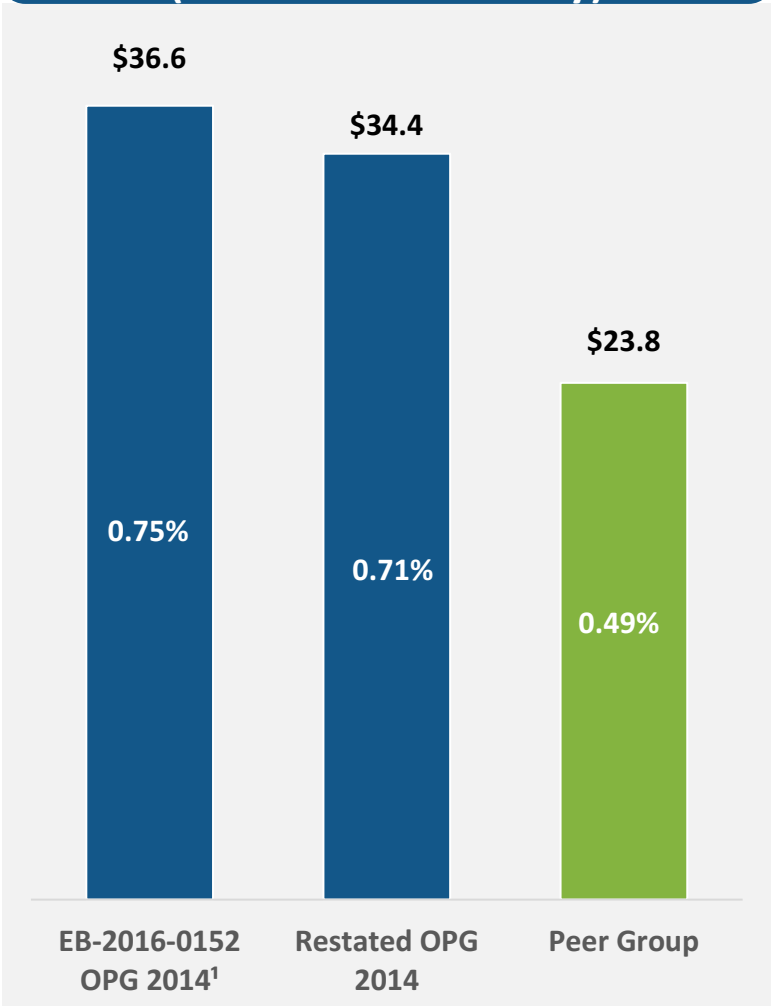
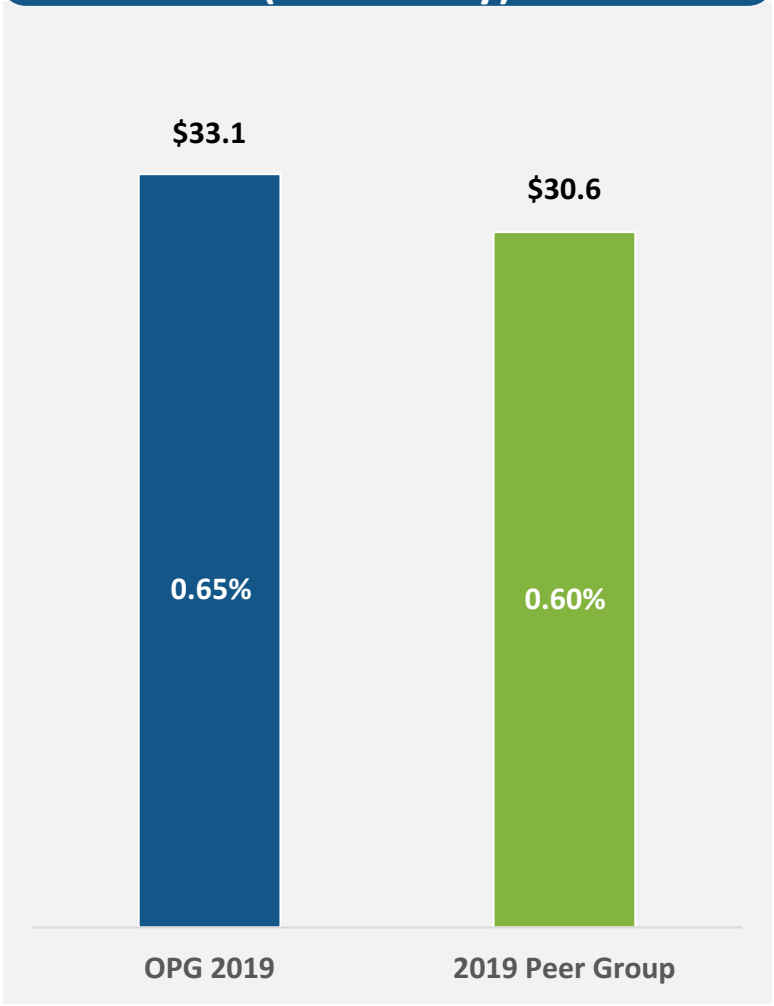
Finance Function

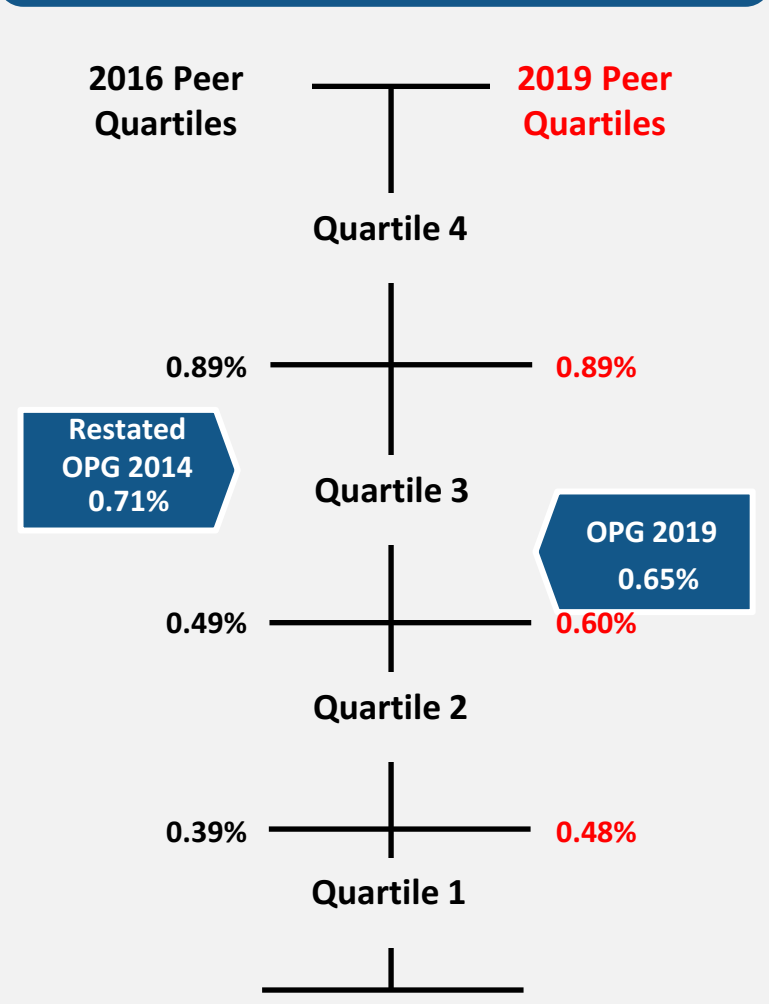
Finance Process Cost
in millions & % of Revenue
(Restated 2016 Study)



Finance Process Cost
in millions & % of Revenue
(2019 Study)



Finance Quartile Analysis vs. Peer Group as a % of Revenue



[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

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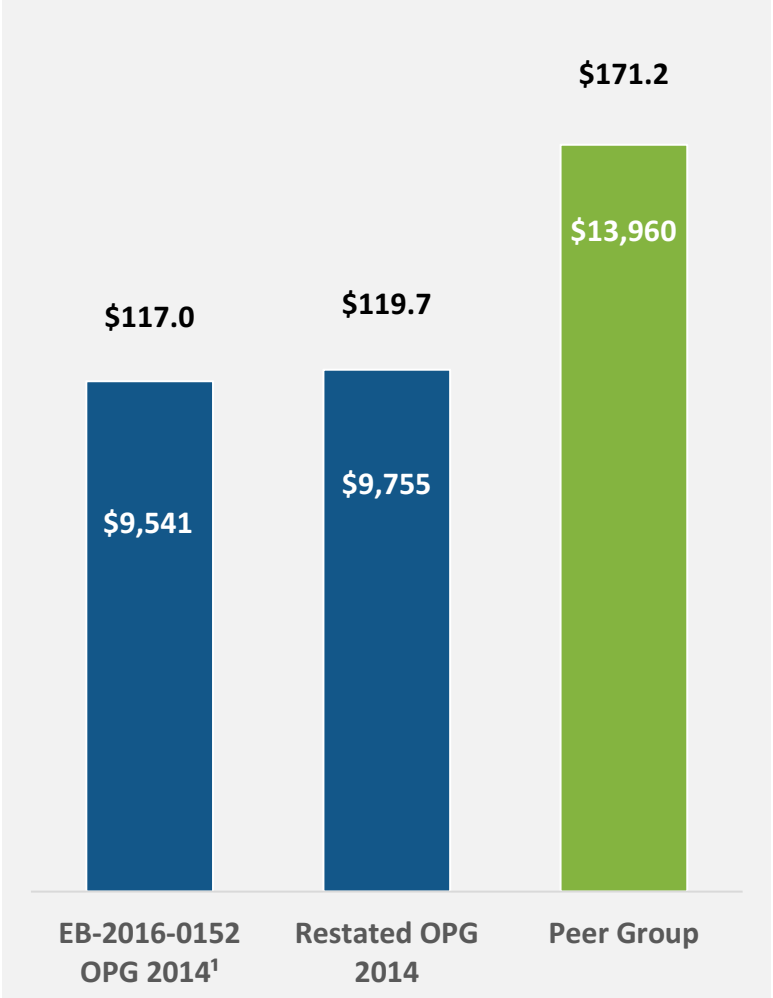
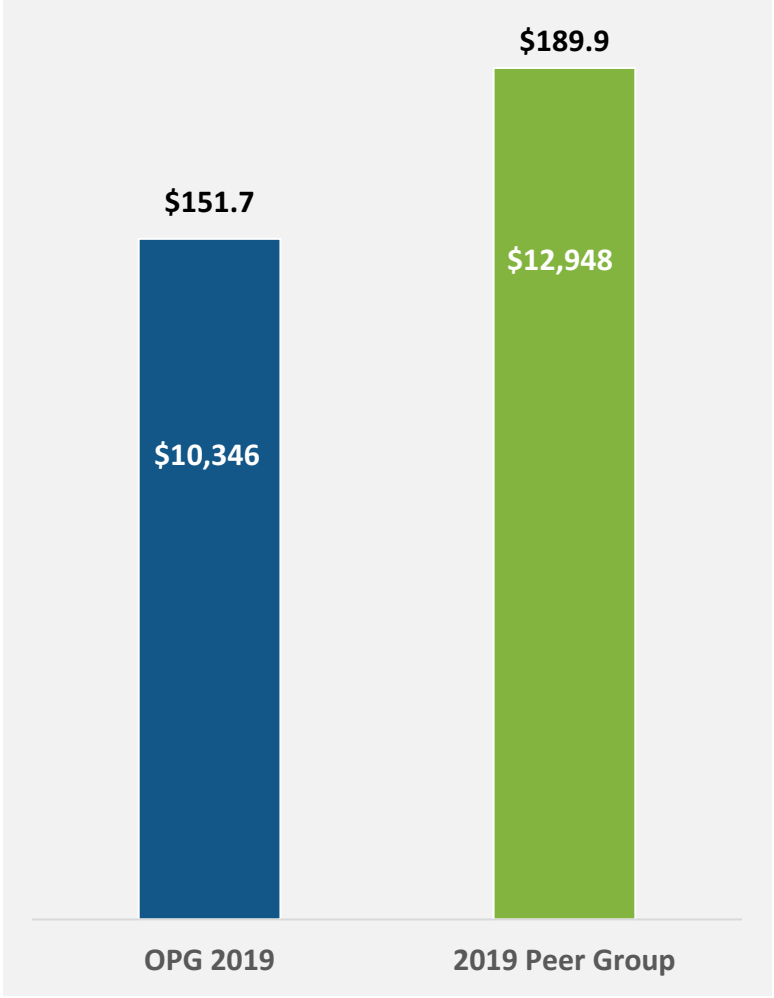
IT Function

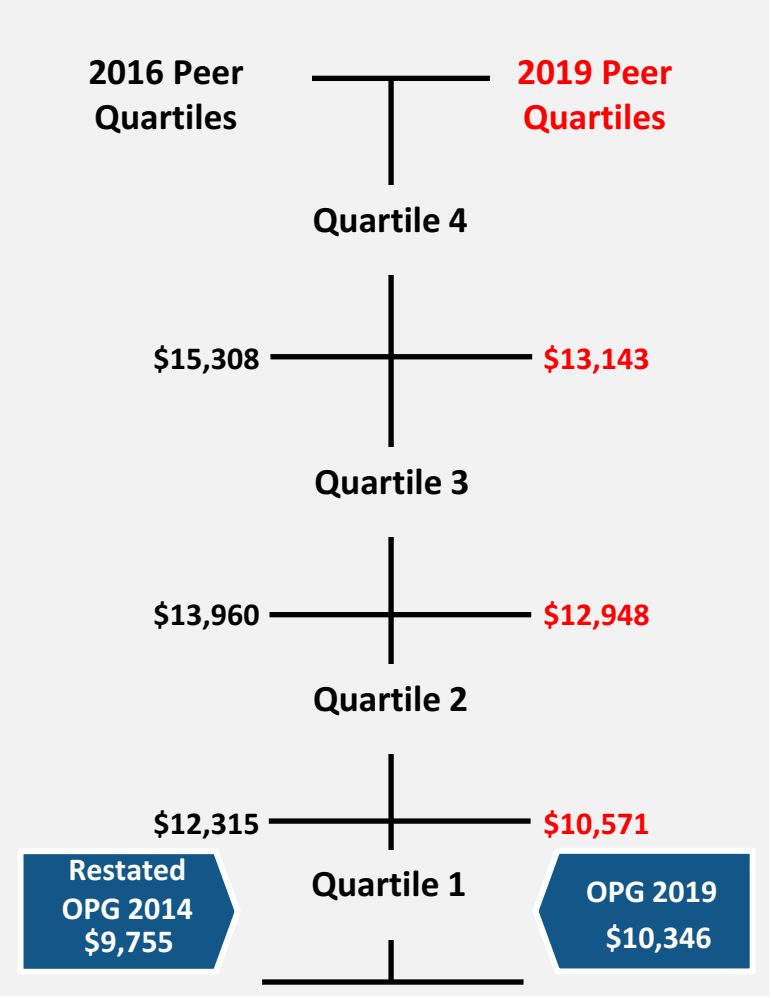
IT Process + Technology Cost
in millions & per EUE
(Restated 2016 Study)



IT Process + Technology Cost
in millions & per EUE
(2019 Study)



IT Quartile Analysis vs. Peer Group per EUE



[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

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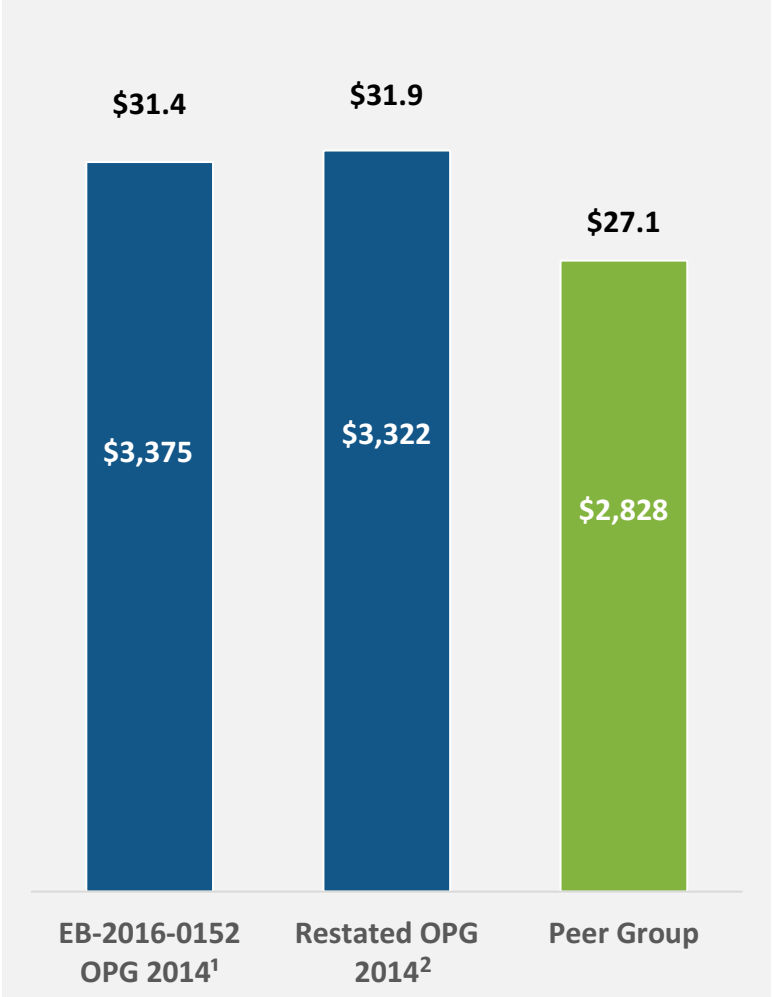
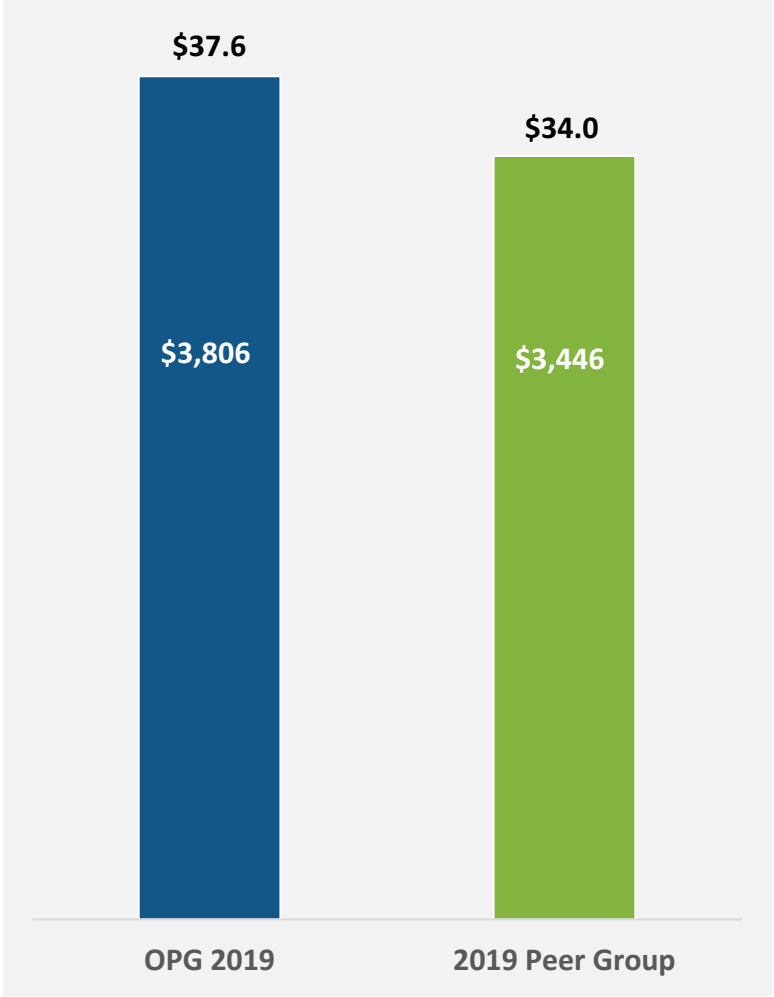
HR Function

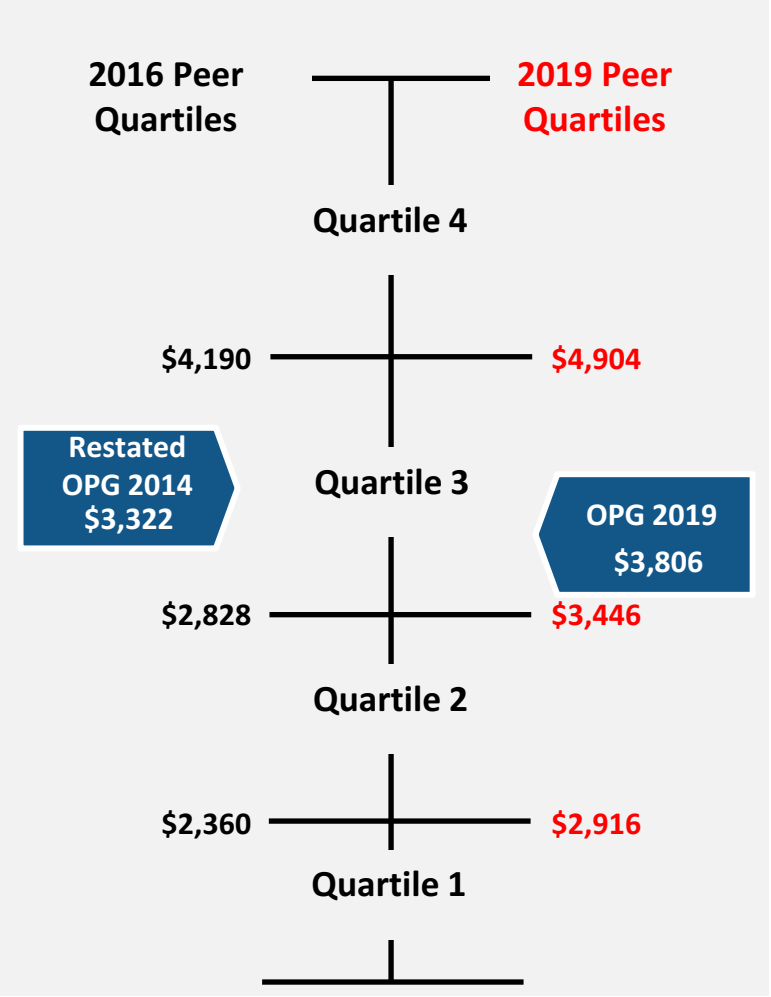
HR Process Cost
in millions & per employee
(Restated 2016 Study)



HR Process Cost
in millions & per employee
(2019 Study)



HR Quartile Analysis vs. Peer Group per Employee



[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

[2]HR benchmark data has been normalized data using average number of employees for consistency with the 2019

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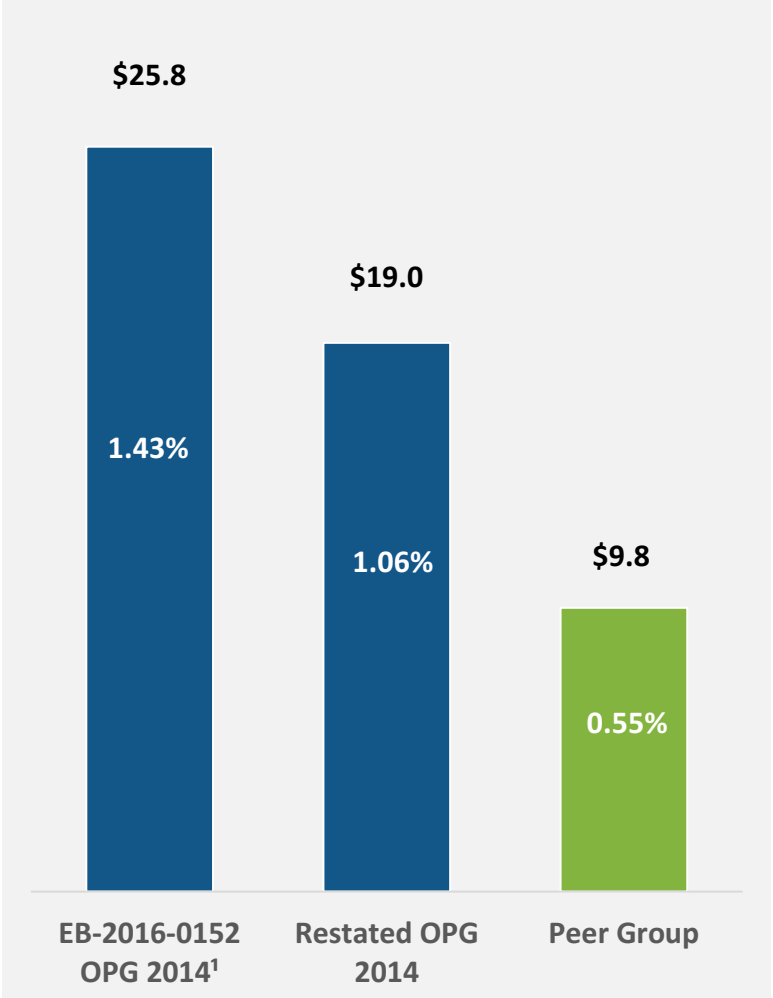
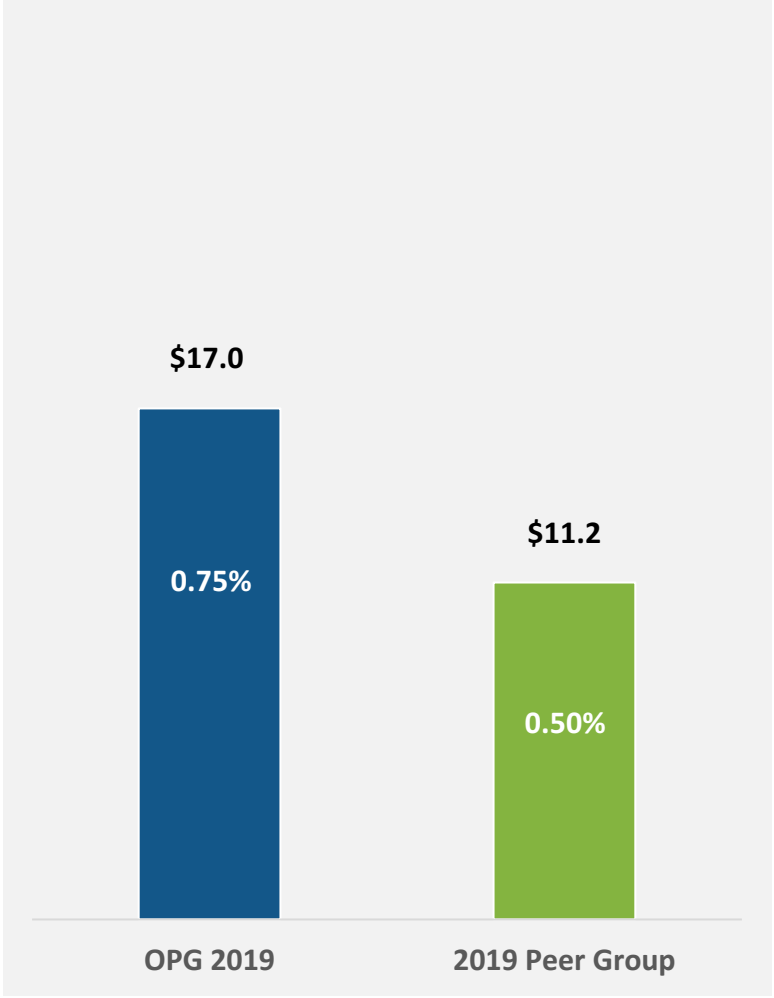
Procurement Function

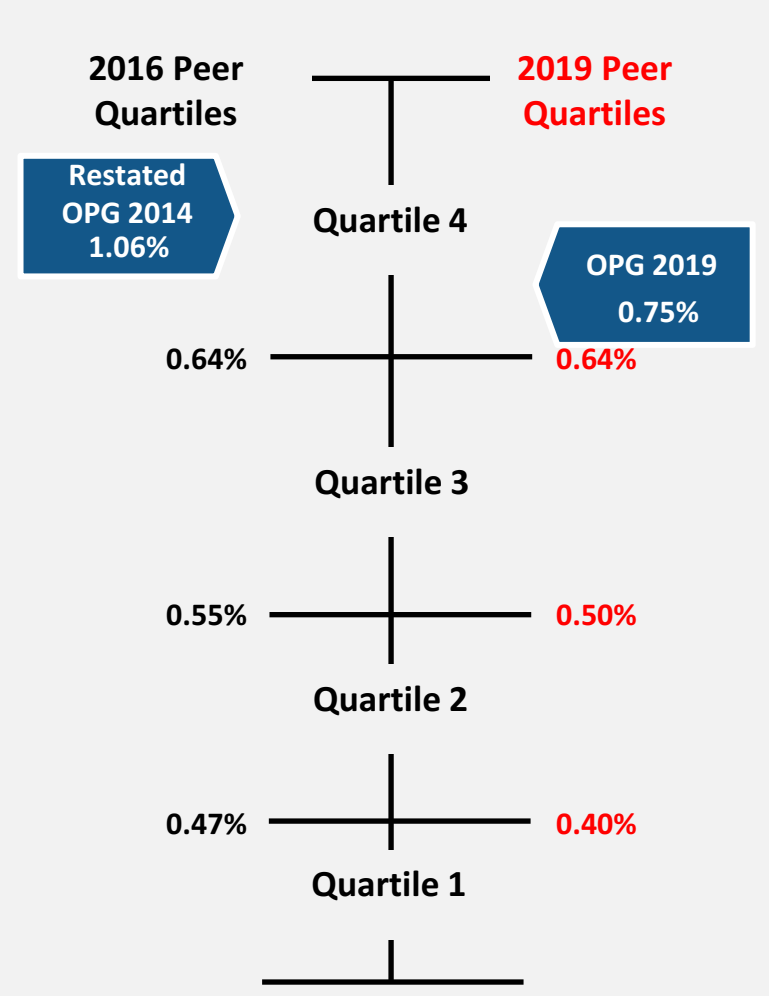
Procurement Process Cost
in millions & % of Spend
(Restated 2016 Study)



Procurement Process Cost
in millions & % of Spend
(2019 Study)



Procurement Quartile Analysis vs. Peer Group as a % of Spend



[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

*Spend used as normalizer for peer data instead of revenue to align with Hackett methodology

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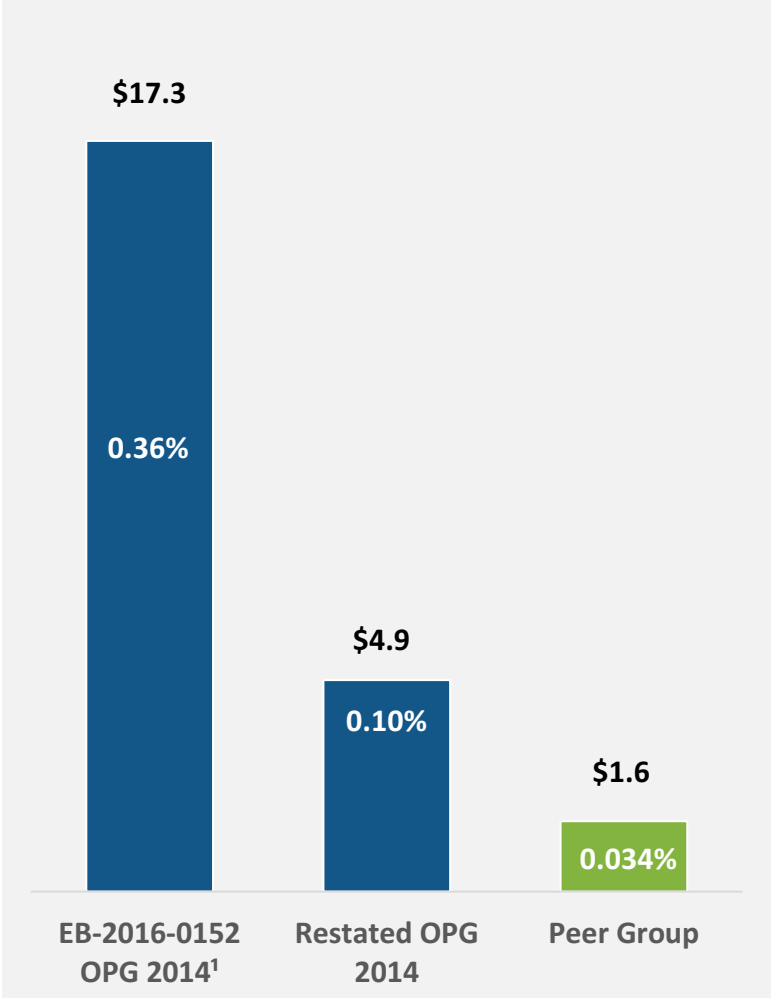
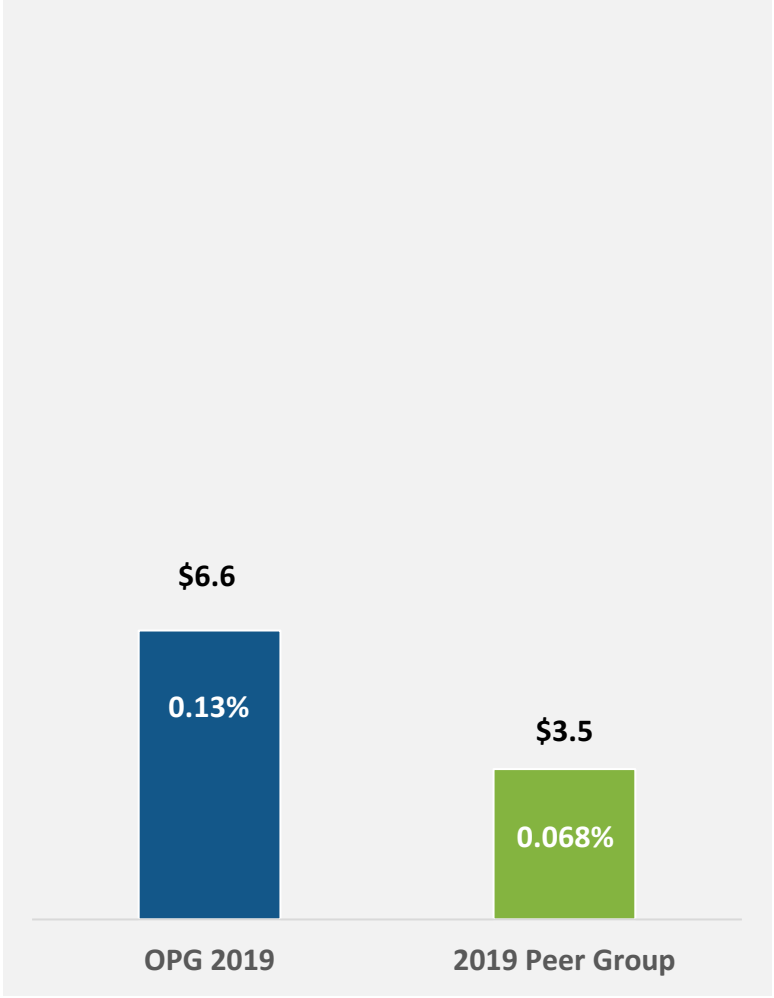
Real Estate and Facilities Management Function

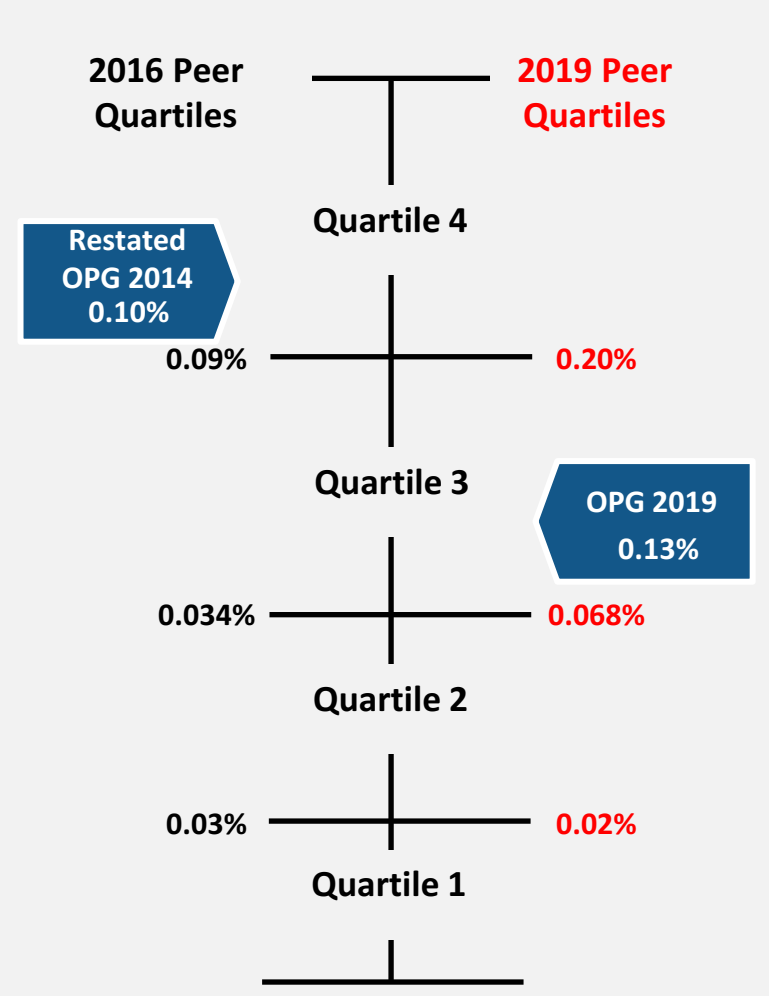
Real Estate & Facilities Mgmt. Process Cost
in millions & as % of revenue
(Restated 2016 Study)



Real Estate & Facilities Mgmt. Process Cost
in millions & as % of revenue
(2019 Study)



Real Estate & Facilities Mgmt. Quartile Analysis vs. Peer Group as a % of Revenue



[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

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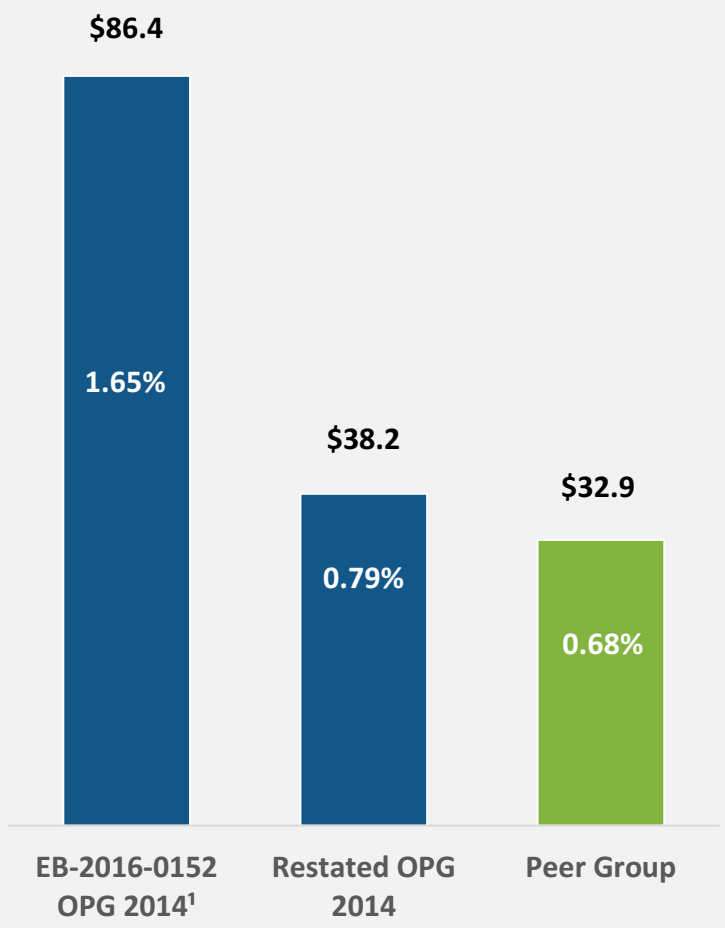
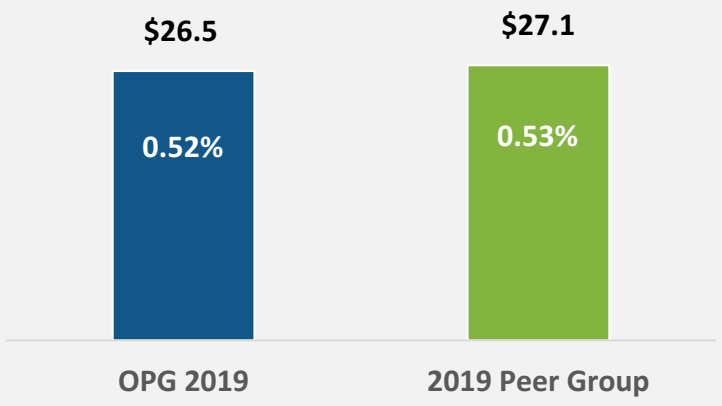
Executive & Corporate Services Overall

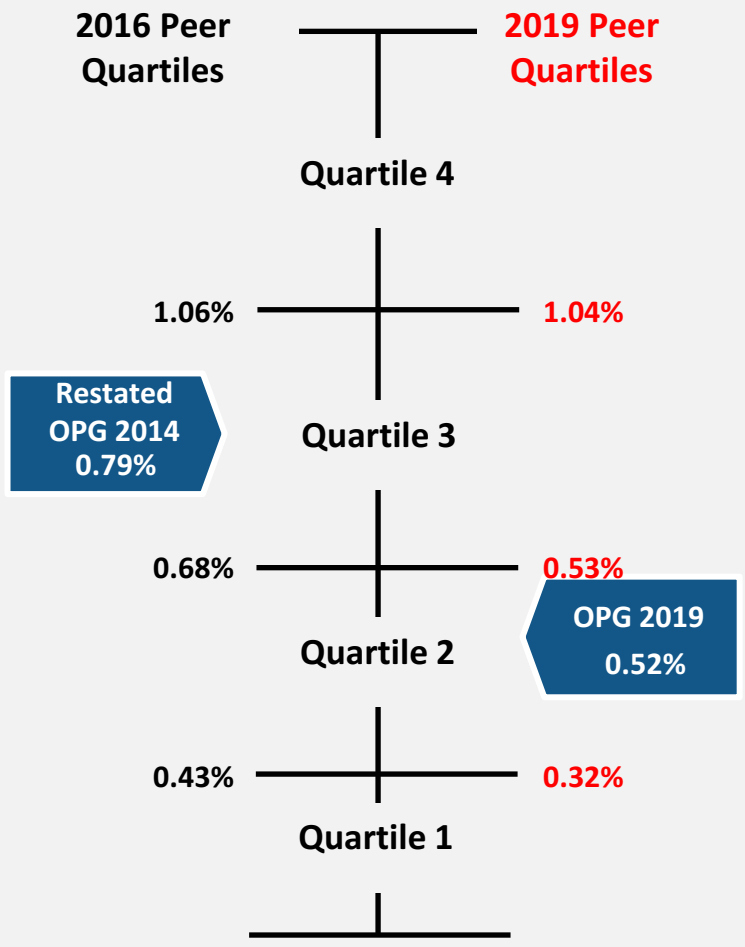
ECS Process Cost
in millions & as % of revenue
(Restated 2016 Study)



ECS Process Cost
in millions & as % of revenue
(2019 Study)



ECS Quartile Analysis vs. Peer Group as a % of Revenue



[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

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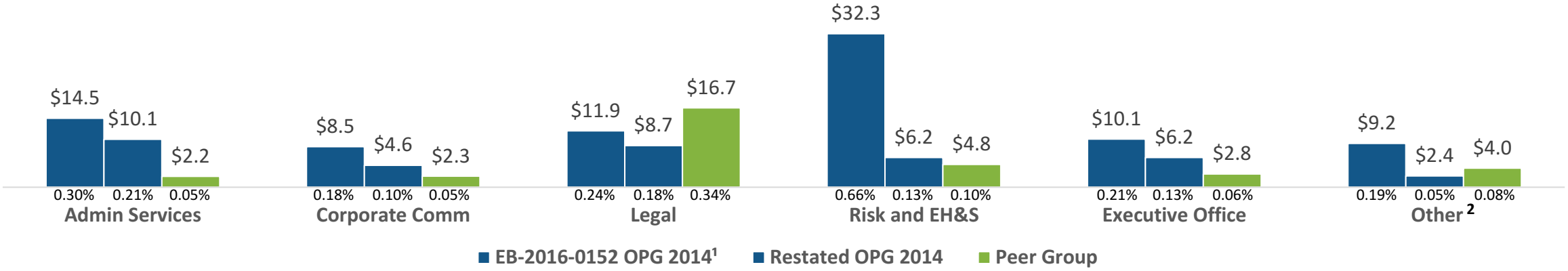
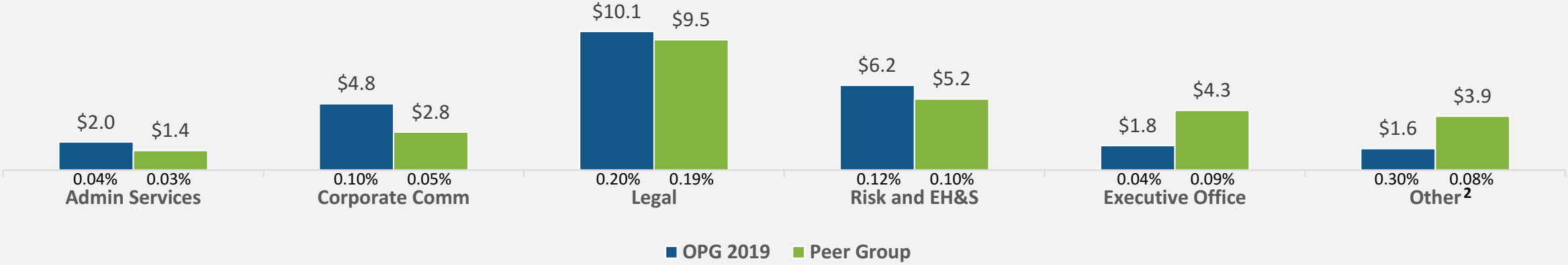
Executive & Corporate Services (ECS) Function by Sub-Process

ECS Process Cost by Sub-Process in millions & % of revenue (Restated 2016 Study)



ECS Process Cost by Sub-Process in millions & % of revenue (2019 Study)



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[1]EB-2016-0152 OPG 2014 is a total cost that includes Technology and Other Cost on a per function basis

[2]Other includes Government Affairs and Planning & Strategy processes for the 2014 restated values and the 2019 values

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Numbers may not add due to rounding.

Table 1

Corporate Support & Administrative Groups OM&A Costs - OPG ($M)[1]

Line No.	Corporate Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Base OM&A											
1	Chief Information Office	155.1	152.6	145.5	149.8	144.4	154.7	157.0	157.1	152.3	144.4	120.7
2	Real Estate[2]	31.3	38.1	39.9	40.1	46.9	53.7	51.0	51.0	51.0	49.3	30.9
3	Supply Chain	50.3	53.9	53.9	51.0	50.3	46.5	45.6	45.4	45.0	37.3	32.3
4	Finance	48.3	47.4	46.5	43.5	46.1	45.6	46.3	46.0	46.5	44.8	44.7
5	Human Resources	29.9	32.2	30.5	30.1	29.9	29.2	28.8	28.6	26.9	27.4	23.2
6	Environment, Health & Safety	20.6	21.5	21.4	21.5	29.7	27.4	24.4	24.3	24.6	24.6	19.4
7	Corporate Centre	61.7	61.4	56.1	61.1	66.9	66.7	62.9	61.9	63.0	61.7	61.2
8	**Total Base OM&A**	**397.3**	**407.1**	**393.7**	**397.1**	**414.2**	**423.9**	**416.0**	**414.3**	**409.2**	**389.4**	**332.4**
9	**Leases & Utilities[3]**	30.7	35.3	35.7	34.3	23.8	29.4	32.9	31.4	30.1	19.7	17.4
10	**Project OM&A**	**32.8**	**28.9**	**28.7**	**21.3**	**29.0**	**30.4**	**33.9**	**27.4**	**31.9**	**26.7**	**21.6**
11	**Total OM&A**	460.8	471.3	458.0	452.7	467.0	483.7	482.9	473.1	471.3	435.8	371.4

Notes:

1 Corporate Support & Administrative costs have been restated from EB-2016-0152 for organizational changes and transfers to/from Nuclear Support and Renewable Generation & Power Marketing (formerly Hydro-Thermal Operations) as described in Ex. F3-1-1.

2 Excludes amounts captured in the Asset Service Fee (Ex. F3-2-1)

3 Formerly included in Real Estate in EB-2016-0152

Numbers may not add due to rounding.

Table 2

Allocation of Corporate Support & Administrative OM&A Costs - Regulated Hydroelectric ($M)

Intentionally Left Blank

Numbers may not add due to rounding.

Table 3

Allocation of Corporate Support & Administrative OM&A Costs - Nuclear ($M)[1]

Line No.	Corporate Group	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Base OM&A											
1	Chief Information Office	120.8	122.7	117.4	123.1	127.3	135.8	137.1	137.3	131.7	121.0	90.9
2	Real Estate[2]	30.9	37.2	39.4	39.6	46.4	52.7	50.2	50.2	49.5	47.5	28.8
3	Supply Chain	45.1	48.3	49.2	45.6	45.9	43.2	42.3	42.0	41.5	33.3	27.5
4	Finance	34.5	36.0	34.5	29.8	32.6	32.3	32.2	32.4	32.5	29.6	26.5
5	Human Resources	23.4	25.0	23.2	23.3	22.3	22.7	22.2	22.0	20.1	19.7	14.7
6	Environment, Health & Safety	13.8	15.2	15.2	14.4	20.7	18.9	16.0	16.1	15.8	15.5	10.1
7	Corporate Centre	41.8	38.8	37.1	39.1	40.4	40.0	33.7	33.0	32.5	30.0	24.7
8	**Total Base OM&A**	**310.4**	**323.1**	**316.0**	**314.9**	**335.6**	**345.6**	**333.7**	**332.9**	**323.6**	**296.7**	**223.1**
9	**Leases & Utilities[3]**	25.9	31.5	30.8	28.3	22.0	26.8	28.3	27.1	26.9	17.5	14.9
10	**Project OM&A**	**24.2**	**22.3**	**21.8**	**18.5**	**22.7**	**23.7**	**26.0**	**20.0**	**24.8**	**20.1**	**14.9**
11	**Total OM&A**	360.5	377.0	368.6	361.7	380.3	396.1	387.9	380.0	375.3	334.3	252.9

Notes:

1 Corporate Support & Administrative costs have been restated from EB-2016-0152 for organizational changes and transfers to/from Nuclear Support and Renewable Generation & Power Marketing (formerly Hydro-Thermal Operations) as described in Ex. F3-1-1.

2 Excludes amounts captured in the Asset Service Fee (Ex. F3-2-1)

3 Formerly included in Real Estate in EB-2016-0152

Numbers may not add due to rounding.

Table 3a

Allocation of Corporate Support & Administrative OM&A Costs - Darlington ($M)[1]

Line No.	Corporate Group	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Base OM&A											
1	Chief Information Office	57.4	57.5	56.8	63.0	63.4	64.6	67.0	68.0	66.0	72.6	90.9
2	Real Estate[2]	21.4	20.1	21.7	21.9	24.7	28.4	27.1	27.2	26.9	25.8	28.8
3	Supply Chain	19.3	21.5	23.7	23.1	21.2	19.3	18.9	18.9	18.8	17.8	27.5
4	Finance	17.2	19.4	17.7	15.6	18.1	18.8	19.0	19.2	20.0	20.3	26.5
5	Human Resources	10.2	11.6	10.4	10.8	10.9	11.3	10.9	11.0	10.2	11.6	14.7
6	Environment, Health & Safety	6.5	7.5	7.4	6.9	11.7	10.9	9.1	9.5	9.6	9.8	10.1
7	Corporate Centre	22.6	22.2	21.3	22.4	25.2	25.9	21.7	21.4	21.7	20.9	24.7
8	**Total Base OM&A**	**154.6**	**159.7**	**159.0**	**163.8**	**175.3**	**179.1**	**173.9**	**175.2**	**173.1**	**178.7**	**223.1**
9	**Leases & Utilities[3]**	10.3	12.8	16.5	14.7	10.8	13.6	13.9	14.3	14.2	11.1	14.9
10	**Project OM&A**	**12.1**	**12.3**	**11.4**	**7.8**	**10.8**	**11.3**	**11.6**	**9.6**	**12.8**	**10.4**	**14.9**
11	**Total OM&A**	177.0	184.9	186.8	186.3	196.9	204.0	199.4	199.1	200.1	200.3	252.9

Notes:

1 Corporate Support & Administrative costs have been restated from EB-2016-0152 for organizational changes and transfers to/from Nuclear Support and Renewable Generation & Power Marketing (formerly Hydro-Thermal Operations) as described in Ex. F3-1-1.

2 Excludes amounts captured in the Asset Service Fee (Ex. F3-2-1)

3 Formerly included in Real Estate in EB-2016-0152

Numbers may not add due to rounding.

Table 3b

Allocation of Corporate Support & Administrative OM&A Costs - Pickering ($M)[1]

Line No.	Corporate Group	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Base OM&A											
1	Chief Information Office	63.4	65.2	60.6	60.2	63.9	71.2	70.2	69.2	65.7	48.5	0.0
2	Real Estate[2]	9.6	17.1	17.7	17.6	21.6	24.4	23.1	23.0	22.6	21.7	0.0
3	Supply Chain	25.8	26.8	25.6	22.4	24.7	23.9	23.3	23.1	22.6	15.6	0.0
4	Finance	17.4	16.7	16.8	14.2	14.5	13.5	13.2	13.2	12.5	9.3	0.0
5	Human Resources	13.2	13.4	12.8	12.5	11.4	11.4	11.2	11.0	9.9	8.2	0.0
6	Environment, Health & Safety	7.4	7.7	7.7	7.5	9.0	7.9	6.9	6.6	6.3	5.7	0.0
7	Corporate Centre	19.2	16.6	15.8	16.7	15.2	14.1	11.9	11.6	10.9	9.1	0.0
8	**Total Base OM&A**	**155.9**	**163.4**	**157.0**	**151.1**	**160.3**	**166.4**	**159.8**	**157.7**	**150.4**	**118.0**	**0.0**
9	**Leases & Utilities[3]**	15.5	18.7	14.4	13.7	11.2	13.2	14.3	12.8	12.7	6.4	0.0
10	**Project OM&A**	**12.2**	**10.1**	**10.4**	**10.7**	**11.9**	**12.5**	**14.4**	**10.4**	**12.0**	**9.7**	**0.0**
11	**Total OM&A**	183.5	192.1	181.8	175.4	183.5	192.1	188.5	180.9	175.2	134.1	0.0

Notes:

1 Corporate Support & Administrative costs have been restated from EB-2016-0152 for organizational changes and transfers to/from Nuclear Support and Renewable Generation & Power Marketing (formerly Hydro-Thermal Operations) as described in Ex. F3-1-1.

2 Excludes amounts captured in the Asset Service Fee (Ex. F3-2-1)

3 Formerly included in Real Estate in EB-2016-0152

Numbers may not add due to rounding.

Table 4
Chief Information Office Base OM&A Costs - OPG ($M)

Line No.	Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Infrastructure Management**	29.3	28.4	27.8	28.5	27.7	29.6	29.3	29.3	29.2	27.3	19.6
2	**Application Maintenance**	16.6	16.1	15.7	16.1	15.7	15.1	14.9	14.9	14.9	13.9	10.0
3	**Data Centre Services**	14.4	14.0	13.7	14.0	13.6	11.2	11.0	11.0	11.0	10.3	7.4
4	**NHSS Base Costs**	60.2	58.5	57.2	58.6	57.0	55.9	55.2	55.2	55.1	51.4	36.9
5	**Hardware / Software / Telecommunications**	27.7	28.6	30.6	29.3	27.4	36.0	37.7	38.4	38.7	37.6	31.1
6	**CIO Support Costs**	26.6	27.7	27.7	31.2	30.3	31.3	33.7	33.9	30.8	32.1	29.9
7	**Shared Services**[1]	40.6	37.8	30.0	30.8	29.6	31.5	30.4	29.6	27.7	23.3	22.7
8	**Total**	155.1	152.6	145.5	149.8	144.4	154.7	157.0	157.1	152.3	144.4	120.7

Notes:

1 Includes Shared Financial Services (formerly in Finance), HR Service Centre and Payroll Services (both formerly in People & Culture now known as Human Resources), and Business Infrastructure Services (formerly in Real Estate) as described in Ex. F3-1-1

Numbers may not add due to rounding.

Table 5

Allocation of Chief Information Office Base OM&A Costs - Regulated Hydroelectric ($M)

Intentionally Left Blank

Numbers may not add due to rounding.

Table 6

Allocation of Chief Information Office Base OM&A Costs - Nuclear ($M)

Line No.	Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Infrastructure Management**	23.0	23.4	23.4	24.1	24.5	26.2	25.8	25.7	25.4	23.1	15.0
2	**Application Maintenance**	13.0	13.2	13.2	13.6	13.9	13.3	13.1	13.1	13.0	11.8	7.7
3	**Data Centre Services**	11.3	11.5	11.5	11.8	12.0	9.9	9.7	9.7	9.6	8.7	5.7
4	**NHSS Base Costs**	47.3	48.1	48.1	49.5	50.4	49.4	48.6	48.5	48.0	43.6	28.3
5	**Hardware / Software / Telecommunications**	22.0	23.9	26.5	24.8	24.2	31.8	33.2	33.7	33.7	31.9	23.9
6	**CIO Support Costs**	20.6	19.5	17.1	22.3	26.6	27.1	29.0	29.2	26.1	26.3	21.5
7	**Shared Services**[1]	30.9	31.1	25.8	26.5	26.1	27.5	26.4	25.8	23.9	19.3	17.1
8	**Total**	120.8	122.6	117.4	123.1	127.3	135.8	137.1	137.3	131.7	121.0	90.9

Notes:

1 Includes Shared Financial Services (formerly in Finance), HR Service Centre and Payroll Services (both formerly in People & Culture now known as Human Resources), and Business Infrastructure Services (formerly in Real Estate) as described in Ex. F3-1-1

Numbers may not add due to rounding.

Table 6a

Allocation of Chief Information Office Base OM&A Costs - Darlington ($M)

Line No.	Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Infrastructure Management**	10.5	11.0	11.2	12.8	11.6	11.8	12.0	12.2	12.1	13.1	15.0
2	**Application Maintenance**	5.9	6.2	6.3	7.2	6.6	6.0	6.1	6.2	6.2	6.7	7.7
3	**Data Centre Services**	5.1	5.4	5.5	6.3	5.7	4.5	4.5	4.6	4.6	5.0	5.7
4	**NHSS Base Costs**	21.5	22.7	23.0	26.3	23.8	22.3	22.6	22.9	22.9	24.8	28.3
5	**Hardware / Software / Telecommunications**	10.6	11.0	12.5	11.7	11.5	14.4	15.4	16.0	16.1	18.1	23.9
6	**CIO Support Costs**	11.3	9.6	8.8	11.5	14.3	13.3	15.2	15.6	13.6	15.9	21.5
7	**Shared Services**[1]	14.0	14.2	12.5	13.5	13.8	14.6	13.8	13.6	13.3	13.8	17.1
8	**Total**	57.4	57.5	56.8	63.0	63.4	64.6	67.0	68.0	66.0	72.6	90.9

Notes:

1 Includes Shared Financial Services (formerly in Finance), HR Service Centre and Payroll Services (both formerly in People & Culture now known as Human Resources), and Business Infrastructure Services (formerly in Real Estate) as described in Ex. F3-1-1

Numbers may not add due to rounding.

Table 6b

Allocation of Chief Information Office Base OM&A Costs - Pickering ($M)

Line No.	Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Infrastructure Management**	12.5	12.4	12.2	11.3	12.9	14.4	13.8	13.5	13.3	10.0	0.0
2	**Application Maintenance**	7.1	7.0	6.9	6.4	7.3	7.3	7.0	6.9	6.8	5.1	0.0
3	**Data Centre Services**	6.2	6.1	6.0	5.5	6.3	5.4	5.2	5.1	5.0	3.8	0.0
4	**NHSS Base Costs**	25.8	25.4	25.1	23.2	26.6	27.1	26.0	25.5	25.1	18.9	0.0
5	**Hardware / Software / Telecommunications**	11.4	12.9	14.0	13.0	12.7	17.4	17.8	17.8	17.6	13.8	0.0
6	**CIO Support Costs**	9.3	10.0	8.3	10.8	12.3	13.8	13.7	13.7	12.5	10.3	0.0
7	**Shared Services**[1]	16.9	16.9	13.2	13.1	12.3	12.9	12.6	12.3	10.6	5.5	0.0
8	**Total**	63.4	65.2	60.6	60.1	63.9	71.2	70.2	69.2	65.7	48.5	0.0

Notes:

1 Includes Shared Financial Services (formerly in Finance), HR Service Centre and Payroll Services (both formerly in People & Culture now known as Human Resources), and Business Infrastructure Services (formerly in Real Estate) as described in Ex. F3-1-1

Numbers may not add due to rounding.

Table 7

Allocation of Corporate Support Staff Summary - Regular and Non-Regular (FTEs) - Nuclear

Line No.	Group	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	NUCLEAR OM&A:											
1	**Regular Staff**	1,088.8	1,063.3	994.1	950.7	936.9	887.0	844.7	830.1	782.6	698.9	603.7
	Non-Regular Staff											
2	Term and Extended Temporary	0.0	5.5	31.2	43.8	75.6	103.5	114.6	115.8	107.7	75.1	0.0
3	Temporary	125.2	152.9	133.5	133.1	162.8	194.7	165.8	129.2	119.7	90.3	41.0
4	EPSCA	29.8	30.6	27.6	33.3	30.3	39.1	37.1	28.1	28.1	25.0	16.5
5	**Total Non-Regular Staff**	155.0	189.0	192.2	210.1	268.7	337.3	317.6	273.1	255.5	190.5	57.5
6	**Subtotal Nuclear OM&A**	1,243.7	1,252.3	1,186.3	1,160.8	1,205.5	1,224.3	1,162.2	1,103.2	1,038.1	889.4	661.2
	NUCLEAR CAPITAL:											
7	**Regular Staff**	12.4	16.1	20.5	20.0	12.6	15.9	15.8	16.0	15.0	14.4	4.4
	Non-Regular Staff											
8	Term and Extended Temporary	0.0	0.1	0.1	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Temporary	0.7	2.9	2.2	2.5	0.0	5.5	1.8	1.8	1.7	0.0	0.0
10	EPSCA	0.0	0.0	1.5	12.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	**Total Non-Regular Staff**	0.7	3.0	3.7	16.0	0.0	5.5	1.8	1.8	1.7	0.0	0.0
12	**Subtotal Nuclear Capital**	13.1	19.1	24.3	35.9	12.6	21.5	17.6	17.8	16.6	14.4	4.4
	DARLINGTON REFURBISHMENT:											
13	**Regular Staff**	46.7	52.9	57.1	47.9	64.5	56.0	55.5	53.2	49.4	40.7	16.4
	Non-Regular Staff											
14	Temporary	2.8	8.1	5.6	8.3	0.0	0.0	0.0	0.0	0.0	0.0	0.3
15	EPSCA	0.0	1.6	2.5	2.9	4.5	6.1	6.1	6.1	6.1	6.0	3.0
16	**Total Non-Regular Staff**	2.8	9.7	8.1	11.1	4.5	6.1	6.1	6.1	6.1	6.0	3.3
17	**Subtotal Darlington Refurbishment**	49.5	62.7	65.2	59.1	69.0	62.1	61.6	59.3	55.5	46.7	19.7
	NUCLEAR PROVISION:											
18	**Regular Staff**	19.9	17.9	17.1	17.6	31.5	25.7	24.5	25.5	34.8	37.8	43.3
	Non-Regular Staff											
19	Term and Extended Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
20	Temporary	2.1	1.7	2.8	3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
21	EPSCA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22	**Total Non-Regular Staff**	2.1	1.7	2.8	3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23	**Subtotal Nuclear Provision**	22.1	19.6	19.9	21.3	31.5	25.7	24.5	25.5	34.8	37.8	43.3
27	**Total Nuclear**	1,328.4	1,353.6	1,295.7	1,277.1	1,318.6	1,333.6	1,265.9	1,205.8	1,145.0	988.3	728.4