Board Staff Interrogatory #215

Interrogatory

Reference:
Exhibit F2 / Tab 1 / Schedule 1 / Attachment 6 / pp. 3, 16
Exhibit F4 / Tab 3 / Schedule 1 / Attachment 1 / p. 1
Exhibit F4 / Tab 3 / Schedule 1 / Attachment 2 / p. 3
Exhibit F3 / Tab 1 / Schedule 1 / Table 7

Preamble:

Goodnight noted that it benchmarked 5,016 OPG nuclear staff and long-term contractors and 2,404 OPG nuclear personnel were excluded from the benchmarking.

Question(s):

a) Please advise whether any of the categories for exclusions from the benchmarking (e.g. fuel handling, major projects, etc.) have changed since the last study. If so, please discuss those changes.

b) Please explain the difference between the 7,420 total OPG nuclear personnel referenced (5,016 benchmarked and 2,404 excluded) in the Goodnight Study to the 8,643.9 nuclear FTEs for 2019 referenced as part of the compensation evidence at Exhibit F4 / Tab 3 / Schedule 1 / Attachment 1 / p. 1.

c) Please explain the difference between the 7,420 total OPG nuclear personnel referenced (5,016 benchmarked and 2,404 excluded) in the Goodnight Study and the total 2019 FTE count of 7,366.7 shown at Exhibit F2 / Tab 1 / Schedule 1 / Table 2.

d) Please explain the difference between the total 2019 FTE count of 7,366.7 shown at Exhibit F2 / Tab 1 / Schedule 1 / Table 2 and the total 2019 FTE count of 8,643.9 at Exhibit F4 / Tab 3 / Schedule 1 / Attachment 1.

e) Please explain the difference between the 7,420 total OPG nuclear personnel referenced (5,016 benchmarked and 2,404 excluded) in the Goodnight Study to the 9,182 total OPG personnel referenced (7,752 benchmarked and 1,430 not benchmarked) in the Willis Towers Watson (WTW) Total Compensation Benchmarking Study at Exhibit F4 / Tab 3 / Schedule 1 / Attachment 2 / p. 3.

f) Please explain the difference between the 5,016 benchmarked in the Goodnight Study to the 7,752 OPG personnel benchmarked in the WTW Total Compensation Benchmarking Study at Exhibit F4 / Tab 3 / Schedule 1 / Attachment 2 / p. 3.

Response

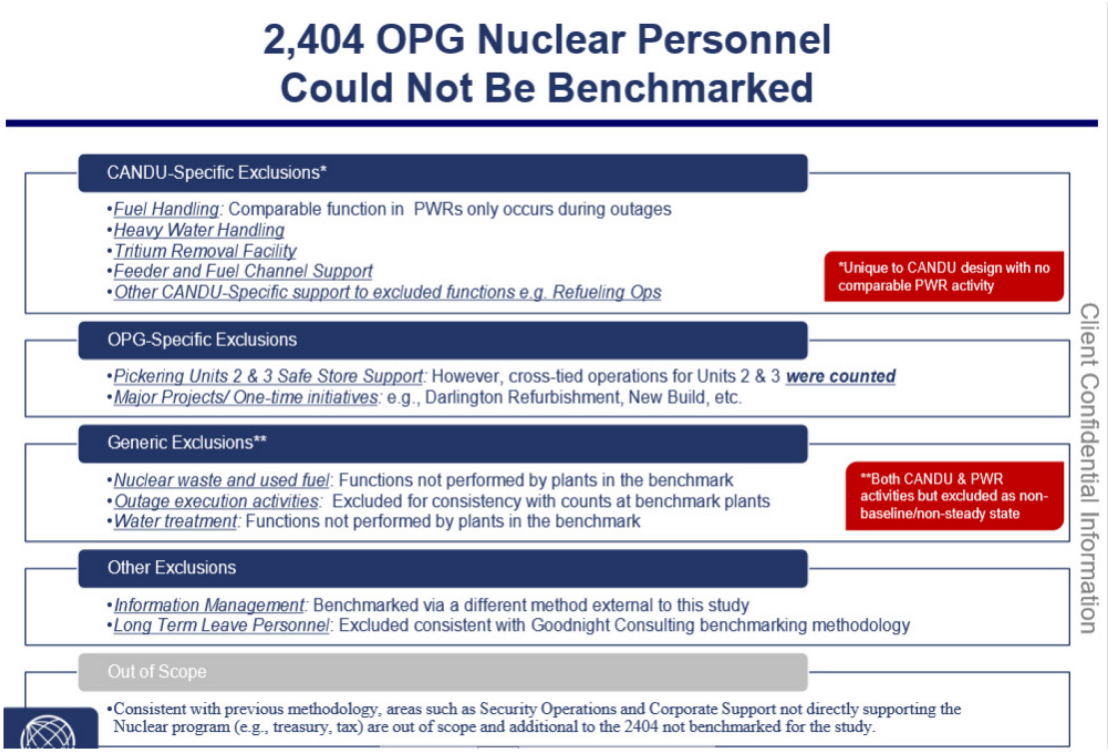
a) None of the categories for exclusions from the benchmarking analysis have changed since the last study.

b) The difference of 1,223.9 FTEs from the 7,420 Nuclear full-time equivalent ("FTE"s) in the Goodnight study to the 8,643.9 actual FTEs for 2019 in Ex. F4-3-1, Attachment 1, p. 1 is shown in Chart 1 below:

Chart 1	**2019 FTEs**
Goodnight August 2019 Reported Total	7,420
Less: Purchased Services Benchmarked	(328)
Plus: Nuclear Non-Regular Not Benchmarked + Security Protected Staff Excluded + Other (timing differences, etc.)[1]	1,252.4
Plus: Indirect Corporate Staff	299.5
Exhibit F4 / Tab 3 / Schedule 1 / Attachment 1 / p. 1: 2019 Actual	8,643.9

[1] Provided on an aggregated basis, as OPG is unable to disclose information separately for Security Protected Staff.

The Goodnight study identified 7,420 Nuclear FTEs, consisting of 5,016 FTEs included in the benchmarking (Ex. F2-1-1, Attachment 6, p. 11) and 2,404 FTEs that were excluded from benchmarking for the reasons shown below (Ex. F2-1-1 Attachment 6, p. 16):



The 8,643.9 FTEs identified in Ex. F4-3-1, Attachment 1 include Non-Regular Temporary and Electrical Power Systems Construction Association ("EPSCA") FTEs but excludes 328 in FTE from purchased service resources, which have been subtracted in the reconciliation in Chart 1.

The other reconciliation items in Chart 1 include, consistent with the Goodnight methodology, adjustments for:

- 1,252.4 FTEs for Nuclear Non-Regular Staff Not Benchmarked, Security Protected Staff Excluded, and Other:
  - Non-regular Temporary and EPSCA staff engaged in non-benchmarked activities, primarily Darlington Refurbishment and outage execution (Ex. F2-2-1, Attachment 6, p. 16): These non-baseline, non-regular staff FTEs were excluded from the 7,420 FTEs analysed by Goodnight in accordance with the Goodnight methodology. They are included in the 8,643.9 FTEs.
  - Security Protected Staff: The number of security personnel working at OPG is confidential and therefore OPG did not provide information on Security Protected Staff FTEs to Goodnight. Security Protected Staff are excluded from the 7,420 FTEs but are included in the 8,643.9 FTEs.
  - Other (e.g., timing differences): Goodnight derived FTEs based on August 2019 headcount whereas the 8,643.9 FTEs reflect actual 2019 FTEs.
- 299.5 FTEs for Indirect Corporate Staff:

- Goodnight benchmarked Corporate Staff directly supporting Nuclear (e.g., Nuclear Finance). Corporate Staff who indirectly support Nuclear (e.g., Treasury) were excluded from Goodnight in accordance with the Goodnight methodology but are included within the 8,643.9 FTEs.

c) The difference of 53.3 FTEs from the 7,420 total OPG nuclear personnel referenced (5,016 benchmarked and 2,404 excluded) in the Goodnight Study and the total 2019 FTE count of 7,366.7 referenced in Ex. F2-1-1, Table 2 is reconciled in Chart 2 below:

Chart 2	**2019 FTEs**
Goodnight August 2019 Reported Total	7,420
Less: Purchased Services Benchmarked	(328)
Plus: Nuclear Non-Regular Not Benchmarked + Security Protected Staff Excluded + Other (timing differences, etc.)[1]	1,252.4
Less: Dedicated Corporate Staff	(977.6)
Exhibit F2 / Tab 1 / Schedule 1 / Table 2: 2019 Actual	7,366.7

[1] Provided on an aggregated basis, as OPG is unable to disclose information separately for Security Protected Staff.

There is a reduction of 977.6 FTEs because dedicated Corporate Staff included in the benchmarking analysis are excluded from the 7,366.7 FTEs in Ex. F2-1-1, Table 2.

d) The difference between the Nuclear Direct 2019 FTE count of 7,366.7 shown at Ex. F2-1-1, Table 2 and the total 2019 FTE count of 8,643.9 at Ex. F4-3-1, Attachment 1 represents the Nuclear Allocated FTE count of 1,277.1, composed of 977.6 Dedicated and 299.5 Indirect Corporate staff, according to Goodnight methodology. This is shown on Ex. F4-3-1, Attachment 1, p. 1.

e) The difference between the 7,420 total OPG nuclear personnel referenced in the Goodnight Study to the 9,182 total OPG personnel referenced in the Willis Towers Watson ("WTW") Total Compensation Benchmarking Study at Ex. F4-3-1, Attachment 2, p. 3 is shown in Chart 3 below:

Chart 3	**2019 FTEs**
Goodnight August 2019 Reported Total	7,420
Less: Contractor FTEs Benchmarked	(712)
Plus: Exclusions from Goodnight Study, including timing differences	2,474
Willis Towers Watson (WTW) April 2019 Study	9,182

The benchmarking methodology differs between the Goodnight Study and the WTW Study. The WTW Study does not benchmark Contractors while the Goodnight Study does include Contractors in the benchmark. The Goodnight Study excludes all Non-Nuclear and Security Protected staff, which are included in the WTW total headcount. There are also timing differences as the WTW Study was based on April 2019 data while the Goodnight Study was based on August 2019 data.

f) The difference between the 5,016 benchmarked in the Goodnight Study to the 7,752 OPG personnel benchmarked in the WTW Total Compensation Benchmarking Study at Ex. F4-3-1, Att. 2, p. 3 is shown in Chart 4 below:

Chart 4	**2019 FTEs**
Goodnight August 2019 Reported Total - Benchmarked	5,016
Less: Contractors FTEs Benchmarked	(712)
Plus: Benchmarking methodology differences, including timing	3,448
Willis Towers Watson (WTW) April 2019 Study - Benchmarked	7,752

There are timing differences as the WTW Study was based on April 2019 data while the Goodnight Study was based on August 2019 data. The benchmarking methodology also differs between the Goodnight Study and the WTW Study. The WTW Study does not benchmark Contractors and was unable to benchmark Regular and Term staff in the following cases:

- Insufficient market data available to benchmark
- No appropriate match in WTW Survey

The Goodnight Study excludes Non-Nuclear staff and was unable to benchmark some Nuclear and Corporate staff for the reasons described in Ex. F2-1-1, Attachment 6, p. 16.