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October 26, 2026
Our File: EB20260056

Attn: Ritchie Murray, Registrar

Dear Mr. Murray:

Re: EB-2026-0056 – London Hydro 2027 Rates – SEC Confidentiality Objection

We are counsel to the School Energy Coalition ("SEC"). Pursuant to Procedural Order No. 1, SEC objects to the request by London Hydro Inc. ("London Hydro") for confidential treatment over portions of the Willis Towers Watson ("WTW") Compensation Benchmarking Review (the "WTW Report").[1] As discussed below, London Hydro's request is overbroad. With the exception of certain information that would reveal the compensation level of identifiable employees, there is no reasonable basis for any confidential treatment of the WTW Report, which is neither actual strategic labour information nor a consultant's underlying datasets and/or models.[2]

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London Hydro seeks confidential treatment over information on the basis that it contains strategic labour information, specifically non-public assumptions, forecasts and management judgments that negotiating counterparties could use to assess its compensation parameters.[3] SEC disagrees. The WTW Report is an assessment of London Hydro's compensation against the market in 2025. This type of benchmarking information is readily provided in evidence by utilities, and confidential treatment of the type London Hydro has requested is almost never sought or required.

The redactions include a sentence regarding London Hydro's target total annual compensation positioning, WTW's definition of a competitive range, and six average positioning figures over two categories (base salary and target total annual compensation). The request for each should be denied. First, London Hydro's own evidence already describes its positioning as "at or below the 50th percentile"[4] and, as discussed below, none of the aggregated information regarding compensation position should be considered confidential. Second, as for the definition of a competitive range, WTW

[1] London Hydro Inc., Letter dated August 28, 2026, Re: Confidentiality Request
[2] Ex. 4, Appendix 4-3
[3] London Hydro Inc., Letter dated August 28, 2026, Re: Confidentiality Request, p.1-2
[4] Ex. 4, p.114

itself says it is "consistent with standard methodologies"[5], and its definition of its target market range is already on the public record in another proceeding.[6] [redacted]. The rest are also just averages across all benchmarked roles.

London Hydro has not met its burden that "any request for confidential treatment must include clear, specific, and evidence-based reasons explaining why disclosure would be detrimental."[7] Any utility could claim that compensation information might be used against it in some future negotiation. If such a claim were all that was required, no compensation information would ever be on the public record. The OEB must require more and has denied such broad-based claims before. For example, in EB-2023-0195, the OEB disagreed with Toronto Hydro's claim with respect to aggregate compensation forecasts based on similar arguments, finding that labour costs "should be scrutinized in the public domain."[8] Toronto Hydro specifically argued that the information would allow unions to infer assumptions regarding future wage increases.[9] The argument was rejected because the information did not reveal labour relations strategy and was not sufficiently granular to assist unions in negotiations.[10]

In EB-2020-0007, the OEB rejected Burlington Hydro's request for confidential treatment over a management/non-union compensation benchmarking survey finding that "this is high level information that does not identify specific positions or groups of positions in this sample of management employees" and that the "OEB does not agree that disclosure of this information would prejudice Burlington Hydro's competitive position or interfere with its collective bargaining process."[11]

London Hydro has not explained how its average positioning, or its individual salary level information, would reveal a negotiating strategy or its bargaining parameters. The possibility that a counterparty to a negotiation could find benchmarking information useful cannot itself be reason to treat the information as confidential.

London Hydro's reliance on the Alectra decision is misplaced. The language London Hydro quotes from the Alectra decision is the company's description of its own request, not an OEB finding.[12] Regardless, the redactions in that case concerned executives who were each the sole employee in their position.[13] Alectra's evidence in that proceeding also included a Mercer compensation market benchmarking study, which is similar to the WTW Report at issue, and was filed entirely on the public record.[14]

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[5] Ex. 4, Appendix 4-3, p.3
[6] For example, see EB-2025-0297 (OPG), Ex.F4-3-1, p.12 (WTW). Additionally, the same type of information is provided by other consultants undertaking compensation benchmarking studies, see EB-2024-0115 (Hydro Ottawa), Ex.1-3-3, Attachment F, p.5 (Mercer).
[7] *Decision on Confidentiality and Procedural Order No.3* (EB-2026-0128), September 14, 2026, p.4
[8] *Decision on Confidentiality, Issues List, and Proposed Expert Evidence and Procedural Order No. 3* (EB-2023-0195), February 5, 2024, p.8
[9] *Decision on Confidentiality, Issues List, and Proposed Expert Evidence and Procedural Order No. 3* (EB-2023-0195), February 5, 2024, p.7
[10] *Decision on Confidentiality, Issues List, and Proposed Expert Evidence and Procedural Order No. 3* (EB-2023-0195), February 5, 2024, p.8
[11] *Decision and Rate Order* (EB-2020-0007), April 15, 2021, p.10-11
[12] *Decision and Order on Confidentiality* (EB-2025-0252), May 6, 2026, p.3
[13] EB-2025-0252 (Alectra), Interrogatory Response 4-SEC-90, Attachments 1 and 2
[14] EB-2025-0252 (Alectra), Ex.4-3-5, Attachment 4-7

Pages 4 to 6

London Hydro relies on three different bases, without identifying which applies to which redaction.

London Hydro's Own Data by Level. London Hydro argues that its salary ranges could reveal the compensation of a single incumbent.[15] SEC accepts that concern for any level with one or two incumbents and agrees that the information should not be placed on the public record. However, the WTW Report covers 88 incumbents across 13 levels, and there is no information regarding how many incumbents are included at any level.[16]

The OEB has previously commented that it will redact information when a salary level contains one or two employees, because disclosure, together with other publicly available information, could allow inferences about identifiable employees' compensation.[17] The OEB expressly distinguished circumstances involving multiple employees in each classification, where disclosure might not raise the same concern.[18] London Hydro should therefore identify the number of incumbents at each level and explain which figures would allow individual compensation to be revealed or inferred. If the possibility exists but is still remote, the OEB could allow the information to be treated as confidential, but not redacted completely, as the company has done, in part, in the confidential version. The possibility of identification of certain employee information at a couple of levels does not justify the redaction of information for all levels. SEC also notes it is not clear why certain information on p.4 and 6 of the confidential version requires permanent redactions and why other information does not.

The OEB's Filing Requirements address the same issue for Appendix 2-K, by requiring that any category with three or fewer employees be combined with the most closely related category.[19] London Hydro should do the same, combining any level with three or fewer incumbents with an adjacent level, and placing the information on the public record. Additionally, there is no reason to treat WTW's recommended incentive levels for managers and directors as confidential (p.5), as they do not reveal anyone's level of compensation.

London Hydro's also argues that parties may ask interrogatories which, when combined with the information might do so.[20] If anything, that is a reason why responses to such interrogatories may need to be treated as confidential, but not aspects of the WTW Report.

Average Rows. London Hydro has even redacted the rows at the bottom of the table on p.6 showing its average positioning across all benchmarked roles. SEC does not understand how an average across 88 incumbents could reveal anyone's compensation. It is no different than the similar information on the base salary table the company provided on p.4, and with respect to the structure midpoint, it is publicly available on p.3. To the extent the information is sensitive for labour purposes,

[15] London Hydro Inc., Letter dated August 28, 2026, Re: Confidentiality Request, p.2-3
[16] Ex. 4, Appendix 4-3, p.2, 4
[17] *Decision on Confidentiality* (EB-2024-0022/EB-2024-0096), October 7, 2024, p.4-5
[18] *Decision on Confidentiality* (EB-2024-0022/EB-2024-0096), October 7, 2024, p.4-5
[19] Filing Requirements for Electricity Distribution Cost of Service Rate Applications, Chapter 2 (2026 Edition for 2027 Rate Applications), s.2.4.3.1, p.32-33
[20] London Hydro Inc., Letter dated August 28, 2026, Re: Confidentiality Request, p.3

as SEC discussed above, this type of information is readily provided on the public record in utility rate applications.

WTW Market Data. London Hydro claims the market data columns are presumptively confidential as the "underlying dataset and/or model of a consultant".[21] The information is the output of the WTW analysis, not its underlying dataset or model. London Hydro has not explained how market data, based on a custom benchmark sample prepared for London Hydro, would harm WTW. SEC notes that in the current OPG application before the OEB, OPG included a WTW benchmarking study, with unredacted market data at each job level, and there was no similar request for any confidential treatment.[22] Similarly, the same type of data is readily included in other consultant reports (e.g., Mercer) and no confidential treatment was sought.[23]

Pages 8 and 9

The only redaction is the aging factor which is what WTW used to age its 2024 market data, sourced from its own salary budget survey.[24] London Hydro seeks to have the information treated as confidential on the basis that it is the underlying dataset and/or model of a consultant.[25] It is a single number, not a dataset or a model, and cannot seriously be considered confidential. The aging factor is basic information regarding the methodology of the study, and SEC is not aware of any other utility seeking to have such information[26], which is often included in compensation benchmarking reports, treated as confidential.

Yours very truly,
Shepherd Rubenstein P.C.



Mark Rubenstein

cc: Brian McKay, SEC (by email)
Applicant and intervenors (by email)

[21] London Hydro Inc., Letter dated August 28, 2026, Re: Confidentiality Request, p.3
[22] EB-2025-0297 (OPG), Ex.F4-3-1
[23] For example, see, EB-2025-0252 (Alectra), Ex.4-3-5, Attachment 4-7, p.5; EB-2024-0115 (Hydro Ottawa), Ex.1-3-3, Attachment F; EB-2025-0312 (Elexicon), Ex.4-2-1, Attachment A, p.4
[24] Ex.4, Appendix 4-3, p.8-9
[25] London Hydro Inc., Letter dated August 28, 2026, Re: Confidentiality Request, p.4
[26] For example, see EB-2022-0149 (Wataynikaneyap Power), F-3-1, Appendix A, p.4 (Updated); EB-2024-0115 (Hydro Ottawa), Ex.1-3-3, Attachment F, p.5