BASE OM&A - REGULATED HYDROELECTRIC

1.0 PURPOSE
This evidence presents the regulated hydroelectric base OM&A costs for the historical period, bridge year and test period.

2.0 OVERVIEW
This evidence supports the approval sought for the proposed regulated hydroelectric base OM&A for the test period. The regulated hydroelectric base OM&A expenses for 2010 - 2015 are provided in Ex. F1-2-1 Table 1. The test period base OM&A expenses for the Niagara Plant Group and R.H. Saunders GS are $143.2M ($74.6M in 2014 and $68.6M in 2015), and for the newly regulated facilities $227.1M ($113.4M in 2014 and $113.7M in 2015).

Base OM&A funds routine, day-to-day operations and maintenance-related activities in support of the production of electricity from OPG’s regulated hydroelectric generating stations, along with associated administration and Hydro Thermal Operations Central Support Group costs. As shown in Ex. F1-2-1 Table 4, the staff complement (FTEs) associated with the regulated hydroelectric facilities has remained relatively stable over the 2010 - 2015 period. Therefore, the year-over-year changes in base OM&A costs are mostly related to: labour rate changes, extraordinary items described in Section 3.0 below, the Business Transformation reorganization described in Ex. A4-1-1 and A1-4-2 section 4.1, and some additional maintenance planned in certain plant groups. Details of the year-over-year variances in base OM&A expenditures for the historical, bridge and test years are discussed in Exhibit F1-2-2.

Detailed descriptions of the activities included in base OM&A costs are provided below in sections 3.0 and 3.1. Section 3.2 describes the Ottawa - St. Lawrence Plant Group common support costs and the methodology for allocating these between R.H. Saunders GS and the newly regulated stations. This level of allocation exists only within the Ottawa - St. Lawrence Plant Group since the headquarters departments provide support for both R.H. Saunders and the balance of stations that are part of the newly regulated segment. Section 3.3
describes the methodology for allocating base OM&A costs between OPA contracted
stations and the newly regulated stations. This level of allocation exists only within the
Central Hydro, Northeast, and Northwest Plant Groups that manage OPA contracted
stations. Sections 3.4 and 3.5 describe the Hydro Thermal Central Support Groups and the
methodology for allocating costs to the regulated hydroelectric stations.

3.0 REGULATED HYDROELECTRIC BASE OM&A

3.1.1 Base OM&A

Base OM&A expenditures for OPG’s regulated hydroelectric facilities are attributed on a work
program basis, consistent with how costs are incurred. The OM&A budgets are established
through the annual business planning process (see Ex. A2-2-1 and Ex. F1-1-1). Base OM&A
budgets in each of the plant groups are categorized in the following general work programs:
operations, maintenance, and administration support.

Operations costs include all direct costs to operate the generating facilities for the purpose of
generating electricity or producing other related products (e.g., ancillary services required by
the electricity system). These costs include costs for control room operators, water
management activities including dam operations, dam safety surveillance inspections,
waterway patrol, water flow monitoring/snow surveys, ice breaking, and log operations.
These costs also include OPG’s portion of all joint works operations costs, for example with
the New York Power Authority (“NYPA”) pursuant to Joint Works Agreements.

Maintenance includes all costs associated with the direct maintenance of the facilities to
ensure their normal, safe, and environmentally sound operation. Maintenance plans are
established in a maintenance management system. The plans are used to prioritize work
execution and used to support budget requirements. As indicated in Ex. F1-1-1 Appendix A,
investment in hydroelectric facilities (including base OM&A funding) is determined using a
structured portfolio approach, and streamlined reliability centered maintenance principles.
The maintenance work program also includes OPG’s portion of the maintenance costs for
joint works (e.g. NYPA).
Administration costs within the plant groups include all common support and other costs incurred for the production facilities that are not directly related to the production of electricity. In addition to the costs incurred within the plant groups, certain other costs incurred to support the regulated hydroelectric facilities are provided on a centralized basis. The Hydro Thermal Operations (HTO) Central Support Groups’ costs include functions and activities not provided within the plant groups such as specialized Engineering, Strategy and Business Support, Dam Safety and Emergency Preparedness, and Hydro Thermal Project Execution.

3.1.2 Plant Group Staffing and Overtime

Plant Group staffing levels related to the regulated facilities are shown in F1-2-1 Table 4 and include the total of regular and non-regular staff deployed for base OM&A, project OM&A, and capital projects. Plant Group staffing levels also include an allocation of staff (FTEs) between unregulated and regulated stations, and an allocation of HTO Central Support and Ottawa – St. Lawrence Plant headquarters groups to the regulated stations. Staff (FTEs) were allocated based on the percentage of total base OM&A costs allocated to the regulated hydroelectric stations.

Incremental short-term labour resources utilized by hydroelectric plant groups include overtime and temporary staff (i.e. non-regular staff). These resources are used for peak work requirements (e.g. outages, responding to weather events, etc.), seasonal work, or to complete necessary work impacted by short-term staff absences or vacancies.

Plant groups have been directed to reduce overtime wherever possible. As a result, hydroelectric overtime usage has been reduced from 11 per cent of labour cost in 2001 to under 6 per cent – for the test period. Hydroelectric plant groups also track overtime usage against approved budgets throughout the year. Almost half of the overtime is used for maintenance activities, approximately a third is used for project work (capital and OM&A), about 15 per cent is used for operating activities, and only about 5 per cent is used in administration. Budgets for temporary employees are mainly for seasonal workers (e.g. summer students) and other forecast requirements. However, the actual utilization of temporary staff is usually higher than budget since temporary staff are often hired for
unforeseen work or to backfill for vacant regular staff positions until they are filled (See Appendix 2K, Ex. F4-3-1).

### 3.1.3 OM&A Costs by Resource

In Ex. F1-2-1 Tables 2 and 3, OM&A costs are presented by resource type. Direct plant group labour accounts for approximately 66% of total base OM&A costs in the test period. Labour costs include both regular and non-regular OPG employees, and their related overtime. The remainder of total base OM&A is composed of allocated HTO support group costs (13%), purchased services (10%), materials (6%), and other costs (5%).

### 3.1.4 Extraordinary Items

#### Niagara Bridge Divestitures

Included with the Niagara Plant Group’s administrative costs is a program to divest certain bridges in the Niagara Region owned by OPG. In 2009, OPG reached an agreement with the City of Thorold to transfer to the city the Laura Secord Bridge, and reached a similar agreement in 2011 for the Niagara Falls Road Bridge. These agreements successfully relieved OPG of all future liabilities associated with these bridges. Negotiations are ongoing with the Niagara Region to divest two more bridges, planned for 2013 - 2014.

#### Lake Gibson Provision

In addition to bridge divestitures, the Niagara Plant Group’s actual administrative costs in 2011 include an extraordinary credit of $19M related to the reversal of a provision for the environmental cleanup of Lake Gibson (DeCew Falls GS). A long-term liability provision was established by OPG, prior to April, 2005, for the clean-up of contaminated sediments in Lake Gibson. Since that time work has been done by OPG in consultation with the Ministry of Environment (MOE) to assess the risk associated with the contamination and related cleanup. This work culminated in two assessment reports completed and approved by the MOE in December 2009 and February 2012. The reports explain that the contaminated sediments are not considered threats to drinking water drawn from Lake Gibson. Therefore, no remediation of the Lake Gibson sediment contamination is anticipated. Correspondingly, the liability provision was reversed resulting in an extraordinary credit of $19M in 2011.
### Hydroelectric Organization

#### 3.2 Plant Group Organization Description

OPG’s five hydroelectric plant groups have similar organizational structures. Described below, along with the minor differences between plant groups, are the departments that typically support the Plant Group Manager. These departments include:

- Production Department
- Production Support Department
- People and Culture Department (Human Resources/ Public Affairs/ Health & Safety)
- Finance Department

The methodology for allocating plant group costs are described in Sections 3.3 and 3.4.
3.2.1 Production Department

The Production Department’s function in each of the plant groups is to control and maintain the generation assets to produce electrical capacity, energy, and energy-related products and services at targeted performance levels. This includes plant maintenance, shop services, and materials stores. The Production Department is also accountable for the operation of the generating stations and all associated water conveyance structures in accordance with approved plans and applicable policies, contracts (e.g. NYPA Joint Works), and legal requirements.

In the Niagara Plant Group, there are separate Production and Operations departments reporting to the Plant Group Manager. Further, the Ottawa – St. Lawrence Plant Group, due to its size, operates with three Production departments, one each for: R.H. Saunders GS, the Ottawa River, and Chenaux GS / Madawaska River, including the operation of control rooms at R.H. Saunders GS and Chenaux GS. Finally, as previously described in EB-2010-0008, the Ottawa – St. Lawrence production departments are also responsible for the management of projects.

The staff associated with Production functions are funded mostly through plant group base OM&A budgets. There are 106 staff (2013 year-end value) associated with the Production Department and 44 with the Operations Department in the Niagara Plant Group. In the Ottawa-St. Lawrence Plant Group, 68 Production staff are associated with R.H. Saunders GS, 78 staff with the Ottawa River stations, and 109 with Chenaux GS and the Madawaska River stations. In the other plant groups, there are 79 staff associated with the Production Department in the Central Hydro Plant Group, 84 in the Northeast Plant Group, and 109 in the Northwest Plant Group.

3.2.2 Production Support Department

As part of the 2012 Business Transformation reorganization, the Production Support Departments were created mainly from the former Asset and Technical Services Departments and Project Departments in each plant group. The Production Support Department provides specialist expertise in the area of business strategy, planning,
programming, asset portfolio management, decision support, business effectiveness, due
diligence in environment and managed systems, engineering support, execution of projects,
and consolidated site support services. However, the Niagara Plant Group’s Production
Support Department also includes the site services function of the former Services
Department. Further, as described above, the Ottawa – St. Lawrence Plant Group includes
project management function within their Production Departments.

The staff associated with these functions are mostly funded through plant group base OM&A
budgets. There are 75 staff (2013 year-end value) associated with these functions in the
Niagara Plant Group, 28 staff in the Ottawa-St. Lawrence Plant Group, 20 in the Central
Hydro Plant Group, 22 in the Northeast Plant Group, and 21 in the Northwest Plant Group.

3.2.3 People and Culture Department
The People and Culture Department within each plant group provides support in the areas of
labour relations, vacancy management, health and safety, disability management,
compensation and benefits. The staff associated with these functions are part of OPG’s
People and Culture corporate function and allocated through the cost allocation process
described in Ex. F3-1. There are six staff (2013 year-end value) associated with these
functions in the Niagara Plant Group, five staff in the Ottawa-St. Lawrence Plant Group, four
in the Central Hydro Plant Group, four in the Northeast Plant Group, and four in the
Northwest Plant Group.

Also reporting to the People and Culture Department Manager are plant group staff that
provide support for public affairs, stakeholder relations, community relations services, and
other support for the plant group. There are four staff (2013 year-end value) associated with
these functions in the Niagara Plant Group, one in the Central Hydro Plant Group, two in the
Northeast Plant Group, and three in the Northwest Plant Group. In the Ottawa – St.
Lawrence Plant Group starting in 2013, there are 6 staff (2013 year end value) reporting to
the Plant Group Manager providing the site business and public relations support.
3.2.4 Finance Department

The Finance Department, is managed by a Site Controller and provides financial management support within each plant group. The department supports business planning, budgeting, financial forecasting, management cost reporting and analysis, review of all business cases, and monitoring adherence to corporate policies with respect to business expenses, project classification, procurement, and internal control. In general, the staff associated with these functions are part of OPG’s corporate Finance Group and their costs are allocated through the corporate cost allocation process described in Ex. F3-1-1. However, some plant group funded staff also support these functions in the Central Hydro and Northeast Plant Groups. For the Ottawa-St. Lawrence Plant Group, as described in section 3.1.3 above, the plant group funded business support staff will be reporting to the Plant Group Manager as of 2013.

There are four staff (2013 year-end value) associated with these functions in the Niagara Plant Group, four staff in the Ottawa-St. Lawrence Plant Group, three in the Central Hydro Plant Group, four in the Northeast Plant Group, and two in the Northwest Plant Group.

3.3 Ottawa - St. Lawrence Plant Group Common Costs

This section describes the Ottawa - St. Lawrence Plant Group common headquarters departments and explains the methodology for allocating their costs to R.H. Saunders GS and balance of the plant group stations that are in the newly regulated segment. The allocation methodology follows the recommendations of R.J. Rudden Associates, Black & Veatch Corporation, and HSG Group Inc as described below in section 3.5.

The Plant Group Manager leads, manages, and supports the provision of common services. Starting in 2013, some staff previously with the People and Culture Department and the Finance Department were included under the Plant Group Manager in a minor reorganization. The services provided by the People and Culture Department and the Finance Department are described above. The total cost of these three groups is allocated to R.H. Saunders based on its proportion of the total budgeted base OM&A within the Ottawa - St. Lawrence Plant Group. Base OM&A is generally linked to the size of the station and its
generation and therefore provides a reasonable basis for allocating common services costs as discussed below in section 3.5.

As described above, the Production Support Department provides specialist services (e.g. engineering) within the Ottawa - St. Lawrence Plant Group. R.H. Saunders is resourced to provide some level of asset management and engineering support. As a result support provided from the Production Support Department is modest and estimated at 15 per cent of the total department costs based on management’s estimates. Further, up until the end of 2012, R.H. Saunders was resourced to provide its own compliance management (information and records management functions) and, based on management’s estimates, none of the compliance management function costs from this department were allocated to R.H. Saunders. During the minor reorganization of headquarters support costs for 2013, it was determined that Production Support would be providing compliance management services to R.H. Saunders GS. Therefore, starting in 2013, compliance management costs are being allocated to R.H. Saunders based on its proportion of the total budgeted base production OM&A within the Ottawa/St.Lawrence Plant Group.

The balance of the headquarters support costs not allocated to R.H. Saunders GS are fully attributable to the newly regulated Ottawa and Madawaska River stations. Approximately 20% of the costs for the common headquarters departments are allocated to R.H. Saunders, and 80% to the newly regulated hydroelectric stations.

3.4 Allocation Methodology for Plant Groups with Newly Regulated and Unregulated Facilities

OPG uses a standardized allocation methodology for plant groups that include newly regulated and unregulated hydroelectric stations. The methodology used to allocate OM&A costs varies depending on the nature of the cost at each specific organizational level. Base maintenance costs are charged directly to the stations. Indirect plant group costs are allocated using the station capacities (i.e., megawatts). HTO Central Support and Corporate costs allocated to the plant groups are further allocated to the station level based on the percentage of the station’s contribution to the total OM&A costs (direct and indirect) within
the plant group. As required by the corporate allocation methodologies, pension and OPEB costs are allocated using a labour allocator (headcount, FTE). The allocation of costs to the newly regulated hydroelectric stations is consistent with the principles established for other OPG cost allocations.

For 2014 – 2015, using the allocation method described above, approximately 89 per cent of the total Central Hydro Plant Group costs, 50 per cent of the total Northeast Plant Group costs, and 92 per cent of the total Northwest Plant Group costs, have been allocated to the newly regulated stations.

### 3.5 HTO Central Support Groups Description

Prior to 2012, the Hydroelectric Central Support Groups, providing common or specialized services to all of the hydroelectric plant groups, consisted of the following groups: Engineering, Dam Safety and Emergency Preparedness, First Nations and Metis Relations (formerly Aboriginal Relations), Business Support, Water Resources, Environment, Hydroelectric Development, Hydroelectric Supply Chain, and the Executive Vice President’s office.

At the beginning of 2012, as a result of the Business Transformation reorganization, the Hydro and Thermal Business Units were combined into one Hydro Thermal Operations Business Unit (HTO). In addition, to align with the centre-led model as set out in Ex. A4-1-1, the First Nations and Metis Relations (formerly Aboriginal Relations), Water Resources, Environment, Supply Chain and the Business Development section of Hydroelectric Development, were transferred to various corporate groups. The impacts on the OEB approved central support allocations for 2012 are shown in Table 1. In the new Hydro Thermal Operations Business Unit, the Central Support Groups, providing common or specialized services to the Hydro Plant Groups and Thermal stations, consist of:

- Senior Vice President’s Office
- Engineering and Technical Services
- Dam Safety and Emergency Preparedness
- Strategy and Business Support
• HTO Project Execution.

Table 1

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<th>HTO Central Support Groups as per EB-2013-XXXX F1-2-2 Table 1</th>
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Note: The table does not include the impacts of the merger of Hydro Thermal business units.

The following sections provide a brief description of each central support group. Section 3.6 describes the methodology used to allocate costs to the regulated and non-regulated facilities.

3.5.1 Senior Vice President - HTO’s Office

Prior to 2012, budgeted Senior Vice President - HTO’s Office costs included various expenses incurred by the EVP - Hydroelectric, including travel, administrative support and membership costs in various hydroelectric associations, such as the International Hydropower Association and Canadian Hydropower Association. In 2012, as part of the amalgamation of the Hydro and Thermal Business Units, the Executive Vice President – Hydro and Senior Vice President – Thermal offices were combined into one Senior Vice President- HTO office. Costs budgeted in this category are similar to those above. In 2013, there are expected to be two staff (year-end value).
3.5.2 HTO Engineering and Technical Services

Prior to 2012, the Hydroelectric Engineering Division provided specialized civil, mechanical, and electrical engineering support to the hydroelectric plant groups. As part of the 2012 Business Transformation and the amalgamation of the Hydroelectric and Thermal Business Units, a new Engineering and Technical Services Division was formed by combining Engineering from the Hydroelectric Business Unit, Technical Services from the Thermal Business Unit, and the Project Management Office from the Hydroelectric Business Services and Water Resources Divisions. This new Division includes seven main departments:

- The Dams and Structures Department
- Power Equipment Department
- Balance of Plant Equipment Department
- Electrical, Protection and Controls Department
- Machine Dynamics and Component Integrity Department
- Performance & Testing Department
- Project Management Office

The Engineering and Technical Services Division has 125 staff (2013 year-end value), consisting of engineers, technicians, and clerks.

3.5.3 Dam Safety and Emergency Preparedness

The Dam Safety and Emergency Preparedness group, which has six staff (2013 year-end value), provides program oversight and guidance on dam safety and emergency preparedness at all of OPG’s dams. The plant groups are responsible for the operation and maintenance of dams, and technical support is provided by the HTO Engineering and Technical Services Division.

3.5.4 Strategy and Business Support

Prior to the 2012 Business Transformation, the Business Support Division, provided business-level oversight, planning and reporting support for the EVP - Hydroelectric and the hydroelectric plant groups, including regulatory support for OPG’s rate application. As part of the 2012 Business Transformation and the amalgamation of the Hydro and Thermal Business Units, the Thermal and Hydro Business Support groups were merged and re-
named Strategy and Business Support. This Division continues to provide similar support services for HTO. This division is expected to have 19 staff (2013 year end value).

3.5.5 Hydro Thermal Project Execution

Prior to 2012, the Hydroelectric Development division identified, studied, planned, and oversaw the conceptual work, design and execution of hydroelectric re-development and new development projects (e.g. Niagara Tunnel project, PGS Rehabilitation, and Ranney Falls GS Expansion).

In 2012, as part of OPG’s Business Transformation re-organization, Hydroelectric Development was divided into two parts - Hydro Thermal Project Execution Division and Business Development. OPG’s Hydro Thermal Project Execution Division resulted from the amalgamation of Hydro project offices (i.e. accountable for project execution) with the Thermal Business Development Division. The Hydro Thermal Project Execution Division remains part of OPG’s Hydro Thermal business unit. The Business Development department was rolled into Corporate Business Development.

Reporting to the Vice President of Hydro Thermal Project Execution, the group includes 22 staff (2013 year-end value) consisting of project managers, project engineers, and project specialists.

3.5.6 First Nations and Métis Relations / Water Resources

The First Nations and Métis Relations Group, which had seven staff, provided business level expertise and services for leading past grievance negotiations with First Nations, and administering payments associated with settled past grievances. This Division was moved to Corporate Relations and Communications as part of Business Transformation in 2012.

The Water Resources Department, which had nine staff, was previously part of Water Resources and Aboriginal Affairs in EB-2010-0008. The department provides support for: water management policy and planning, energy forecasting, and day-ahead coordination of
hydroelectric resources. As part of the 2012 Business Transformation re-organization, the Water Resources department was transferred to Commercial Operations Business Unit.

3.5.7 Environment

Prior to 2012, the Environment Division, which had eight staff, provided environmental oversight and support for the EVP-Hydroelectric and the plant groups. This division was moved to the Commercial Operations and Environment Business Unit as part of the 2012 Business Transformation reorganization.

3.5.8 Hydroelectric Supply Chain

Prior to 2012, the Supply Chain Division was part of the Hydroelectric Business Unit and had 12 staff who provided procurement support activities and materials management activities for all the hydroelectric plant groups and Hydroelectric Development. This Division was moved to Business and Administrative Services in 2012 as part of the Business Transformation reorganization.

3.6 Allocation Methodology for HTO Central Support Costs

The method for allocating Hydroelectric Central Support Group Costs was reviewed by R.J. Rudden Associates in 2006 and Black & Veatch Corporation in 2009. In 2013, OPG's allocation methodology was again independently evaluated by HSG Group Inc. R.J. Rudden Associates recommended that as a general principle, direct assignment (i.e. time estimates or management estimates of full time equivalents dedicated to a particular group) should be used where practical and efficient, and base OM&A costs should be used to allocate all other central support group costs that cannot be directly assigned. The recommendations were implemented by OPG starting in 2006. R.J. Rudden also reviewed the allocation of Ottawa - St. Lawrence common costs to R.H. Saunders and the balance of the plant group, and its recommendations were adopted (see allocation methodology in section 3.4 above).

With respect to Hydroelectric central support costs, R.J. Rudden Associates, Black & Veatch, and HSG Group Inc. recommended the use of plant group base OM&A costs to allocate central costs that cannot be directly assigned or where it is inefficient to perform direct
assignment. Prior to 2012, this methodology was used to allocate the costs for the office of
the EVP - Hydroelectric, Dam Safety and Emergency Preparedness, First Nations and Metis
Relations (formerly Aboriginal Relations), Business Support, Water Resources, and
Environment. In the new HTO organization, this approved methodology continues to be
used for the SVP- HTO office, Strategy and Business Support, and Dam Safety and
Emergency Preparedness Divisions, except that Dam Safety costs are only allocated to
facilities that have dams. Prior to 2012, a direct assignment approach was generally used for
Engineering, Supply Chain, and Hydroelectric Development (except for Hydroelectric
Development overhead costs). This approach continues to be used in the new HTO
Engineering and Technical Services, and Hydro Thermal Project Execution Divisions.

3.6.1 Allocation of Engineering and Technical Services
The costs for Engineering services are allocated as follows:

- Estimates of engineering cost allocations for each year in the planning cycle are
developed during the business planning/budgeting process. Each department in the
Engineering Division develops time estimates for each of the plant groups (or plants
in the case of R.H. Saunders) based on a high level review of each plant group's
future work plans/projects and anticipated support requirements, as well as a review
of previous year's historical engineering support costs for each plant group.

- Total engineering hours are then allocated to each plant group based on these
reviews.

- The total engineering budget for the year is allocated using the ratio of estimated
hours for each plant group divided by the total engineering hours. The 2014 and 2015
planned engineering allocations to each plant group are calculated by applying the
2013 ratios (i.e. the ratios developed as part of the 2013 - 2015 business planning
process) to the forecast costs in 2014 and 2015, respectively.

3.6.2 Allocation of Hydro Thermal Project Execution
Prior to the 2012 Business Transformation reorganization, Hydroelectric Development OM&A
costs were either directly attributed to the regulated stations where applicable, or allocated
based on the total cost estimates for development projects. If a project was in the pre-
concept or concept phase, and was related to a regulated facility or site, then its costs were
directly attributed to that site (e.g. the PGS Reservoir Refurbishment and Expansion Study).
The costs associated with the office of the Vice President - Hydroelectric Development and
the general OM&A expenses were allocated based on estimated capital and OM&A project
expenditures.

As a result of the 2012 reorganization, and the amalgamation of Hydro and Thermal, this
group was divided into 2 separate groups, with the Niagara Tunnel and Lower Mattagami
project departments merging with Thermal Project Development to form the Hydro Thermal
Project Execution Division, which is part of the HTO Central Office. The Business
Development group (responsible for projects in the pre-concept, concept and definition
phase) moved to Corporate Business Development. The costs associated with the Hydro
Thermal Project Execution Division continue to be allocated based on direct assignment of
project costs, and for the office of the Vice President – Hydro Thermal Project Execution and
other OM&A expenses based on estimated capital and OM&A project expenditures. Since
the project portfolio varies year by year, the portion of general OM&A costs allocated to the
regulated plants can also vary.

3.6.3 Allocation of Hydroelectric Supply Chain
The allocation of Supply Chain costs, prior to 2012, in Hydroelectric were based on
management’s time estimates. Approximately three staff were dedicated to procurement and
material management activities related to the regulated operations at R.H. Saunders GS and
the Niagara Plant Group. As a result of the 2012 Business Transformation, this division has
been moved to the Business and Administrative Services Business Unit.