

**DEMANDE DE RENSEIGNEMENTS N° 1 D'OPTION CONSOMMATEURS (OC) À
HQT/NORMANDIN-BEAUDRY**

**DEMANDE DU TRANSPORTEUR DE MODIFICATION DES TARIFS ET CONDITIONS DES SERVICES
DE TRANSPORT POUR L'ANNÉE 2022-2025**

R-4167-2021 VOLET 2

**ÉTUDE DE BALISAGE DE LA RÉMUNÉRATION GLOBALE DES EMPLOYÉS D'HYDRO-QUÉBEC PAR
NORMANDIN-BEAUDRY**

1. Référence : i) B-0020: *HQT-5, Document 3, p. 5, Tableau 1*

Préambule : Normandin-Beaudry (N-B) has been retained by HQ to benchmark employees' total compensation relative to a selected peer group of 44 companies, including 18 energy companies.

- a) Please provide a listing, with references, of recent N-B energy industry studies.
- b) Please include client, regulatory agency and date for each.
- c) Please confirm that the selection criteria listed on page 4 were applied with no weighting to the 18 energy companies.
- d) What year or years were used for the compensation data of the sample and of HQ?
- e) Please provide a listing of HQ employee groups and their collective bargaining groups.
- f) Does N-B have a view as to whether collective bargaining is a factor in total compensation?
- g) How many of the sample companies have collective bargaining for groups similar to HQ?
- h) Does N-B have a view as to whether $\pm 5\%$ of market median is an appropriate band for HQ?

2. Référence: i) B-0020: HQT-5, Document 3, charts on p. 7 and 8 and Tableau 2 on p. 10

Préambule : N-B provides charts showing base salary, incentive pay, pension plan and group insurance.

- a) Please provide charts for each group at the median and \pm 5% bands. Please provide explanatory notes.
- b) Management (excluded) employees appear to have lower representation (26 vs. 749) in the survey than HQ (Tableau 2). How does this affect the result?
- c) Please comment why management (excluded) employees appear to have lower total compensation as compared to the market than other groups and if, in N-B's opinion, this relates to collective bargaining.

3. Références: i) B-0020: HQT-5, Document 3, p.10, Composantes de rémunération à baliser
- ii) B-0147: HQT-5, Document 3.3, Présentation N-B, planches 12-19

Préambule : The components of total compensation considered in the N-B analysis are shown on page 10 as direct remuneration, pension plan and group insurance:

- a) Confirm that HQ has a comprehensive compensation package with all direct and indirect components of total compensation.
- b) How many of the sample companies have similar comprehensive compensation packages?
- c) Please indicate in detail, using the simulated cost method, how N-B makes adjustments to the sample data to align total compensation value for the sample, relative to HQ, given the material differences in compensation packages regarding:
 - direct compensation
 - indirect compensation
 - pension plan
 - group insurance
- d) For Job 37 and the five (1, 8, 10, 13 and 29) companies outlined in the "Présentation", please provide a numerical example (omitting any confidential information) comparing to HQ.
- e) For incentive compensation, please explain why N-B uses maximum rather than target compensation.

- f) Confirm that some companies (e.g. Hydro One) provide share options as part of total compensation. How is the value of this addressed in the analysis?
- g) As a hypothetical, compare Company A with share options to Company B that does not.

4. Référence : i) B-0020: *HQT-5, Document 3, p. 15 and Annexe C*

Préambule: For defined benefit plans, the pension cost is the employer's current annual service cost expressed as a percentage of salary. It is equivalent to the maximum possible employer contribution for defined contribution plans. The methodology and detailed actuarial assumptions are presented in Appendix C.

- a) Do part-time and casual employees receive compensation above base pay/salary? Please provide details and compare to HQ.
- b) How many part-time and casual employees does HQ have on average?

5. Référence : i) B-0020: *Page 14, Tableau 4*

Preamble:

Tableau 4 – Facteur d'ajustement par province

Province	Facteur d'ajustement
Alberta	90,9 %
Colombie-Britannique	94,6 %
Manitoba	103,2 %
Nouveau-Brunswick	104,4 %
Nouvelle-Écosse	104,4 %
Ontario	94,5 %
Québec	100,0 %
Canada (dans son ensemble)	95,1 %

- a) Veuillez fournir la méthodologie utilisée pour déterminer les facteurs d'ajustements par province mentionnée à la référence i).
- b) Veuillez fournir les années et sources des données.