RE: OPG 2017 financials

From: "Colford, Jonathan (CAB)" <jonathan.colford@ontario.ca>
To: "McPhail, Blane (OPO)" <blane.mcphail@ontario.ca>
Cc: "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>, "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>, "McMichael, Rhonda (CAB)" <rhonda.mcmichael@ontario.ca>, "Bromm, William (CAB)" <william.bromm2@ontario.ca>, "Kwamena, Boafoa (CAB)" <boafoa.kwamena@ontario.ca>, "Farrow, Alicia (CAB)" <alicia.farrow@ontario.ca>, "Pontikis, Maria (CAB)" <maria.pontikis@ontario.ca>, "Tomescu, Alexandra (CAB)" <alexandra.tomescu@ontario.ca>, "Skene, Katherine (CAB)" <katherine.skene@ontario.ca>, "Evans, Kirsten (CAB)" <kirsten.evans2@ontario.ca>, "Brown, Kyle (CAB)" <kyle.r.brown2@ontario.ca>, "@CAB-Issues" <cab-issues@msgov.gov.on.ca>
Date: Mon, 12 Mar 2018 09:09:46 -0400
Attachments: AIF - OPG.pdf (2.03 MB)

Hi Blane,
You likely saw this – the information on executive compensation (in the Annual Information Form) was published late Friday. This section begins on page 98 of the attached pdf.

Four of the five top-earning executives saw increases in total compensation in 2017 compared with 2016. The CEO's total compensation increased by about $146,000 to $2,174,689 in 2017.

Summary Compensation

Name and Title	Year	Salary ($)	Non-Equity Incentive Compensation (pay-at-risk) ($)	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
J. Lyash President & Chief Executive Officer	2017	$775,000	$947,825	$421,000	$30,864	$2,174,689
	2016	$775,000	$755,459	$460,000	$38,138	$2,028,597
	2015	$319,841	$352,564	$230,000	$470,119	$1,372,524
K. Hartwick CFO and SVP Finance	2017	$385,000	$257,938	$172,000	$24,618	$839,556
	2016	$308,278	$130,164	$130,000	$119,678	$688,121
G. Jager Nuclear President and Chief Nuclear Officer	2017	$577,500	$340,175	$337,000	$53,620	$1,308,295
	2016	$550,000	$232,279	$299,000	$51,102	$1,132,381
	2015	$525,000	$236,401	$947,000	$46,095	$1,754,496
M. Martelli President Renewable Generation	2017	$379,600	$223,603	$169,000	$61,446	$833,649
	2016	$365,000	$154,149	$800,000	$57,951	$1,377,100
	2015	$295,000	$132,750	$(10,000)	$51,329	$469,079
D. Reiner SVP Nuclear Projects	2017	$383,250	$225,752	$212,000	$58,557	$879,559
	2016	$365,000	$169,564	($16,000)	$54,887	$573,451
	2015	$365,000	$180,675	$439,000	$53,488	$1,021,854

Notes:
Mr. Lyash was appointed August 4, 2015 and received a $450k signing bonus as per the terms of his employment contract (captured in 2015 All Other Compensation)
Mr. Hartwick was appointed March 13, 2016 and received a $100K transitional bonus as per the terms of his employment contract (captured in 2016 All Other Compensation).
Mr. Jager was promoted to Nuclear President and Chief Nuclear Officer April 2015.
Mr. Martelli was promoted to President Renewable Generation Jan 1, 2016.
Mr. Reiner was appointed to his current role as SVP Nuclear Projects on September 1, 2016.

From: Colford, Jonathan (CAB)
Sent: March 8, 2018 6:00 PM
To: McPhail, Blane (OPO)
Cc: Killorn, Bill (OPO); Forgione, Andrew (OPO); McMichael, Rhonda (CAB); Bromm, William (CAB); Kwamena, Boafoa (CAB); Farrow, Alicia (CAB); Pontikis, Maria (CAB); Tomescu, Alexandra (CAB); Skene, Katherine (CAB); Evans, Kirsten (CAB); Brown, Kyle (CAB); @CAB-Issues
Subject: OPG 2017 financials

Hi Blane,
Please see attached for the OPG's news release and financials. OPG reported net income attributable to the Shareholder (e.g. Province of Ontario) of $860 million for 2017, compared to $436 million in 2016.

The statement of executive compensation has not been posted yet.

There is no media coverage so far.

The release notes the after-tax gain of $283 million on the sale of OPG's head office building and parking facility recorded in the second quarter of 2017 contributed to the year-over-year increase in net income.

OPG also mentions in the release that the Fair Hydro Trust bought its first tranche of financing receivable assets from the IESO in December 2017. The amount is approximately $1.2 billion. In February 2018, the Trust issued $500 million of senior notes payable maturing in 2033.

-Jonathan