

Undertaking No. J3.2

To calculate the impact of a one percentage reduction in the union increase.

Response:

Calculation of Impact to Reduce the Salary Increase from 3.25% to 2.25%						
Enersource Hydro Mississauga	3.25%	2.25%	Difference		OM&A	Capital
Non Union	\$ 313,064	\$ 216,736	\$ (96,327)		\$ (78,025)	\$ (18,302)
Union	451,184	312,358	(138,826)		(90,237)	(48,589)
	<u>\$ 764,247</u>	<u>\$ 529,094</u>	<u>\$ (235,153)</u>		<u>\$ (168,262)</u>	<u>\$ (66,891)</u>
Enersource Corporation Allocation @ 93.4%					(40,740)	
Total					\$ (209,001)	\$ (66,891)
Enersource Corporation	3.25%	2.25%	Difference			
Non Union	\$ 114,432	\$ 79,222	\$ (35,210)			
Union	27,328	18,919	(8,409)			
	<u>\$ 141,760</u>	<u>\$ 98,141</u>	<u>\$ (43,618)</u>			

This calculation demonstrates the mathematical results of the undertaking. Enersource has contractual commitments to its unionized employees which are legally binding. The calculation should not be taken as suggesting that Enersource is in a position to avoid these commitments.