

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

**Requesting Party:** Joel Andruski

**Request No.:** NYRC-0955 (DPS-340) - SUPP

**Date of Request:** July 16, 2015

**Response Due Date:** August 13, 2015

**Original Date of Reply:** August 13, 2015

**Supplemental Reply Date:** August 26, 2015

**Witness:** Workforce, Compensation and Benefits Panel

**Subject:** Companies Compensation Program

**Original Question:**

1. On page 13 lines 8-10 of the direct testimony regarding Workforce, Compensation and Benefits Panel (“Panel”), the Panel states that the Companies have retained Towers Watson & Co. to conduct a benchmark study of the Companies’ compensation programs.
  - a. Provide in electronic format, with all formulae intact, all work papers regarding the Companies’ direct Workforce, Compensation and Benefits Panel testimony with respect to the Towers Watson & Co. benchmark study of the Companies’ compensation programs.
  - b. Provide the salary details and the peer group salary information for each position matched in the study for both NYSEG and RG&E.
2. Regarding the Towers Watson & Co. benchmark study mentioned in the direct testimony of the Workforce, Compensation and Benefits Panel (“Panel”), provide the criteria used to select market positions to benchmark both NYSEG and RG&E positions. In addition:
  - a. Indicate how many companies were used to calculate the 50<sup>th</sup> percentile.
  - b. Have the Companies included at least five data points from five different peer companies for the purpose of position matching?
  - c. Please discuss the reasonableness of the Companies’ benchmarking analysis if it cannot be ascertained that any of the positions in the Companies’ analysis were benchmarked to a group of at least five peer company positions.
3. On page 13 lines 10-12 of the direct testimony regarding Workforce, Compensation and Benefits Panel (“Panel”), the Panel states that the Companies have retained Aon Hewitt to conduct a benefits study of the Companies’ compensation programs.
  - a. Provide in electronic format, with all formulae intact, all work papers regarding the Companies’ direct Workforce, Compensation and Benefits Panel testimony

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

with respect to the Aon Hewitt benefits study of the Companies' compensation programs.

4. Regarding the Towers Watson & Co. benchmark study mentioned in the direct testimony of the Workforce, Compensation and Benefits Panel ("Panel"), for the most recent five year period and for each new non-office management employee hired by both NYSEG and RG&E, provide a listing of the individual's:
  - a. Job title, location of most previous position, name of most previous employer.
  - b. For the same time period, provide a list of the position and titles of employees who have left the company. For each position title listed, indicate if the former employee left for employment elsewhere. If available, provide the name and location of the new employer.

**Original Response:**

1. Information associated from the Towers Watson study is subject to a Non-Disclosure Agreement. The Companies' can make the information available to Staff on site at our attorneys' offices.
2. Please refer to NYRC-1009, (1)(b) and Attachments 1 and 2 for the criteria used to select the benchmark jobs.
  - a. The number of companies used to calculate the 50<sup>th</sup> percentile varies by each individual job.
  - b. In no case were less than 5 companies used to calculate the metric.
  - c. Not applicable since in every case at least 5 companies were used.
3. The Aon Hewitt benefit studies summaries are provided as Exhibit \_\_ (WCB-5). The full reports are included here as:
  - a. Attachment 1: RG&E Hourly (Union) Benefits – Utility Comparators
  - b. Attachment 2: NYSEG Hourly (Union) Benefits – Utility Comparators
  - c. Attachment 3: NYSEG Salaried (Non-Union) Benefits – General Industry Comparators
  - d. Attachment 4: RG&E Salaried (Non-Union) Benefits – General Industry Comparators
  - e. Attachment 5: NYSEG Salaried (Non-Union) Benefits – Utility Comparators
  - f. Attachment 6: RG&E Salaried (Non-Union) Benefits – Utility Comparators
4.
  - a. Please see Attachment 7 regarding newly hired non-union non-executive employees during 2013 and 2014; we are providing prior employer information but we do not have prior employer location information.
  - b. Please see Attachment 8 regarding employees who left the Companies during 2013 and Attachment 9 for 2014; we do not have information on where these employees may have been employed subsequent to termination/retirement from the Companies.

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

**Supplemental Request:**

Please provide job descriptions for the positions included in the Towers & Watson study and a detailed description of the methodologies used by Towers & Watson in the study.

**Supplemental Response:**

Please see the attachments listed below.

**Attachments**

Attachment 01: Assistant Treasurer.pdf  
Attachment 02: Chief Executive Officer.pdf  
Attachment 03: Chief Operating Officer.pdf  
Attachment 04: Commercial Attorney.pdf  
Attachment 05: Controller Accounting.pdf  
Attachment 06: Deputy - General Counsel.pdf  
Attachment 07: Dir Accounting Services Job Desc.pdf  
Attachment 08: Director - Accounting Services 082713 Final.pdf  
Attachment 09: Director - Applications.pdf  
Attachment 10: Director - BT Change Management.pdf  
Attachment 11: Director - Business Development.pdf  
Attachment 12: Director - Business Effectiveness.pdf  
Attachment 13: Director - Business Strategy.pdf  
Attachment 14: Director - Communications.pdf  
Attachment 15: Director - Customer Service.pdf  
Attachment 16: Director - EHS Compliance.pdf  
Attachment 17: Director - Electric Capital Delivery.pdf  
Attachment 18: Director - Electric Distribution.pdf  
Attachment 19: Director - Electric Maintenance Delivery.pdf  
Attachment 20: Director - Facilities Management.pdf  
Attachment 21: Director - Fleet Services.pdf  
Attachment 22: Director - Gas Design & Delivery.pdf  
Attachment 23: Director - HR Service Center.pdf  
Attachment 24: Director - Human Resources.pdf  
Attachment 25: Director - IT Infrastructure, Ops & Comm.pdf  
Attachment 26: Director - IT Operations Services.pdf  
Attachment 27: Director - Labor Relations.pdf  
Attachment 28: Director - Materials Management.pdf  
Attachment 29: Director - NERC Compliance.pdf  
Attachment 30: Director - Network Projects and Initiatives.pdf  
Attachment 31: Director - Operations Technologies.pdf

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

Attachment 32: Director - Quality & Franchise Development.pdf  
Attachment 33: Director - Regulatory.pdf  
Attachment 34: Director - Risk Management.pdf  
Attachment 35: Director - Security.pdf  
Attachment 36: Director - Smart Grid Planning & Programs.pdf  
Attachment 37: Director - T&D Support.pdf  
Attachment 38: Director - Talent Management.pdf  
Attachment 39: Director Compliance.pdf  
Attachment 40: DIRECTOR GAS OPERATIONS.pdf  
Attachment 41: Director Human Resources Operations.pdf  
Attachment 42: Director Internal Audit.pdf  
Attachment 43: Director Investment and Distribution Planning.pdf  
Attachment 44: Director Media Relations.pdf  
Attachment 45: Director of Electric System Planning.pdf  
Attachment 46: Director of Labor Relations Job Template.pdf  
Attachment 47: Director Public Affairs.pdf  
Attachment 48: Director System Ops.pdf  
Attachment 49: Director Transmission.pdf  
Attachment 50: Director- Network Projects and Initiatives.pdf  
Attachment 51: Director Rewards.Job Description\_082613.pdf  
Attachment 52: Executive Director IT.pdf  
Attachment 53: Financial Controller.pdf  
Attachment 54: IUSA - Director Physical Security and Fire Protection.pdf  
Attachment 55: IUSA Corporate Security Officer Rev2.pdf  
Attachment 56: IUSA Director Cyber Security.pdf  
Attachment 57: Job Description -VP Engineering & Delivery.pdf  
Attachment 58: JOB DESCRIPTION Director Electric Supply (2).pdf  
Attachment 59: JOB DESCRIPTION TEMPLATE Director Accounting.pdf  
Attachment 60: Managing Attorney NY Compliance Officer.pdf  
Attachment 61: Position Description Director - Electric System Engineering.pdf  
Attachment 62: President - NY.pdf  
Attachment 63: Regulatory Attorney.pdf  
Attachment 64: Senior Attorney.pdf  
Attachment 65: Tax Controller JOB DESCRIPTION TEMPLATE 082313 1.pdf  
Attachment 66: VP - Energy Services.pdf  
Attachment 67: VP - Regulatory Strategy.pdf  
Attachment 68: VP - Special Projects Job Description.pdf  
Attachment 69: VP Asset Management & Planning.pdf  
Attachment 70: VP Business Development.pdf  
Attachment 71: VP Controller & Treasurer.pdf  
Attachment 72: VP Controller, Treasurer & Clerk.pdf

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

- Attachment 73: VP Customer Service (ME).pdf
- Attachment 74: VP Customer Service.pdf
- Attachment 75: VP Electric Operations.pdf
- Attachment 76: VP Finance & Control.pdf
- Attachment 77: VP Gas Operations.pdf
- Attachment 78: VP General Counsel.pdf
- Attachment 79: VP General Services.pdf
- Attachment 80: VP HR.pdf
- Attachment 81: VP Operations Technology Business Transformation.pdf
- Attachment 82: VP Operations.pdf
- Attachment 83: VP Rates & Regulatory Economics.pdf
- Attachment 84: IUMC Competitive Assessment of Employee Compensation
- Attachment 85: NYSEG Competitive Assessment of Non-Union Compensation
- Attachment 86: NYSEG Competitive Assessment of Union Compensation - CONFIDENTIAL
- Attachment 87: RG&E Competitive Assessment of Non-Union Compensation -  
CONFIDENTIAL
- Attachment 88: RG&E Competitive Assessment of Union Compensation – CONFIDENTIAL

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The confidential attachments to this data request will be  
filed separately with the Records Access Officer.

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

**Requesting Party:** Caitlyn Edmundson (PSC Staff)

**Request No.:** NYRC-1009 (DPS-368)

**Date of Request:** July 21, 2015

**Response Due Date:** August 5, 2015

**Date of Reply:** August 5, 2015

**Witness:** Workforce / Compensation / Benefits Panel

**Subject:** Workforce, Compensation and Benefits Panel Testimony

**Question:**

1. Regarding Table 3: Positions Benchmarked for Compensation Study on page 16 of the direct testimony of the Workforce, Compensation and Benefits Panel.
  - a. For each of the cells in Table 3, in addition to indicating what percentage of individual employees were benchmarked, indicate what percentage of position titles were benchmarked (e.g., What percentage of position titles does the 134 NYSEG Non-Union jobs and 132 RG&E Non-Union jobs represent, respectively?)
  - b. For each of the Companies' position titles, provide an explanation as to why it was or was not included in the benchmarking analysis.
2. Regarding page 17, lines 2-4 of the direct testimony of the Workforce, Compensation and Benefits Panel, what percentage of job duties and responsibilities would need to line up for a Company position to be considered a match for a survey benchmark position?
3. On page 17, lines 5-7 of the direct testimony of the Workforce, Compensation and Benefits Panel, the Panel states, "Where applicable, adjustments were made to the benchmark data to reflect differences in responsibility between the Companies' position and a 'typical' market survey benchmark position." To what adjustments is this statement referring? How are these adjustments made? How is it determined that these adjustments are necessary and 'applicable'?
4. Regarding page 21, lines 17-18 of the direct testimony of the Workforce, Compensation and Benefits Panel, explain why the Non-Union Employee merit increases of 3.5% is reasonable in light of a recent World at Work 2014-2015 Salary Budget Survey (attached) forecasted increase of 3.0%. Indicate if the term "merit increase" relates to all components of Non-Union Employee compensation, including, base pay, variable pay

**New York State Electric & Gas Corporation  
 Rochester Gas and Electric Corporation  
 Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

and benefits. If it is not all inclusive, indicate what the company has assumed for an increase for the non-merit portion of Non-Union Employee compensation.

5. The response to NYRC-0799 (DPS-229) indicates that the Companies are not requesting recovery of SERP costs. Indicate to what extent SERP costs were included as part of the companies' and/or the peer groups' compensation in the benefits compensation benchmarking analysis performed by Aon Hewitt.

**Response:**

1.

- a. Below is Table 3 with the requested percentages included:

	<b>NYSEG</b>	<b>RG&amp;E</b>
Non-Union	134 jobs 87% of Non-Union Employees 72% of jobs	132 jobs 80% of Non-Union Employees 67% of jobs
Union	28 jobs 61% of Union Employees 25% of jobs	22 jobs 45% of Union Employees 44% of jobs

- b. Non-Union jobs across all of Iberdrola USA were listed with the highest number of incumbents to the lowest number of incumbents and jobs were selected until at least 70% of employees were covered. A similar process was followed with Union jobs.

For non-union, the Companies benchmarked all jobs at and above the Director level. All non-union jobs not sent to Towers Watson to be benchmarked covered no more than two employees. Non-union jobs not benchmarked that covered more than two employees were submitted to Towers but there were not sufficient matches to benchmark those jobs. Additionally, the Companies did not benchmark jobs held by interns (Technical Aids).

For union jobs, all jobs covering 15 incumbents or more were selected for the study. Union jobs not benchmarked that covered more than 15 employees were submitted to Towers but there were not sufficient matches to benchmark those jobs.

Jobs benchmarked and not benchmarked are shown in Attachment 1 for non-union jobs and in Attachment 2 for union jobs. The number of jobs in the



**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

attachments will not match up with the counts above because for benchmarking purposes, Towers showed a position which occurred in two or more business areas as different jobs. We have continued to count jobs this way to keep the data consistent.

2. The matching of Company jobs to the database was determined by the Towers Watson team.
3. The adjustments referenced in lines 5-7 on page 17 of the Workforce, Compensation and Benefits Panel direct testimony is the methodology stated by Towers Watson. One example of an adjustment Towers Watson might make is a leveling adjustment. For example, we may have a Supervisor position, and if Towers only has Manager data for that job family, Towers would make an adjustment to reflect the lower level of responsibility. Towers Watson, as the expert, determines when adjustments are necessary and what the adjustments should be.
4. The Companies' merit increases reflect the need to retain high performers, as well as employees with high in-demand skills. "Merit increase" refers to annual base pay increases. The other components of Non-Union Employee compensation are a percentage of base pay. Therefore, these increase at the same rate as base pay.
5. The Aon Hewitt benefits benchmarking analysis did not include SERP benefits for the Companies or any of the peer companies.

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Non-Union Job Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Non-Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	
Administrative Assistant	x	x	Analyst - Asset Management	x		No match
Advisor - Human Resources	x		Analyst - CAD		x	
Analyst - Administration		x	Analyst - Compliance and Legal Services		x	
Analyst - Advertising	x		Analyst - Customer Service		x	
Analyst - Billing & Risk Management	x	x	Analyst - Customer Service Performance		x	
Analyst - CCS Business Support	x	x	Analyst - Damage Claims		x	
Analyst - Compliance	x	x	Analyst - Economic Development		x	
Analyst - Construction & Maintenance		x	Analyst - Electric Supply	x		
Analyst - Credit & Collections	x	x	Analyst - Legal Services	x		
Analyst - Customer Advocate	x	x	Analyst - NERC Compliance		x	No match
Analyst - Customer Billing	x	x	Analyst - Property Management		x	
Analyst - Customer Relations Center	x	x	Analyst - Staff Investigation		x	
Analyst - Customer Satisfaction	x	x	Analyst - T&D Support	x		
Analyst - Dispatch & ECC	x	x	Analyst - TO/SO		x	
Analyst - Field Customer Service		x	Analyst - Vegetation Management	x		
Analyst - Field Planning		x	Associate Analyst - Marketing & Sales		x	
Analyst - Gas Dispatch & ECC		x	Associate Analyst - Technical Services		x	
Analyst - Gas Engineering	x	x	Associate Analyst -Vegetation Management		x	No match
Analyst - Gas Supplier Services	x		Associate Analyst-Operations &Compliance	x		
Analyst - Gas Supply	x		Chemist A		x	No match
Analyst - GIS and Mapping	x	x	Director - NERC Compliance		x	No match
Analyst - Key Account Management	x	x	Director -Asset Management & Maintenance	x		No match
Analyst - Meter Services	x		Engineer - Asset Management		x	
Analyst - Pricing & Analysis	x	x	Engineer - Electric Maintenance Engineer		x	
Analyst - Programs	x	x	Engineer - Hydro		x	
Analyst - Public Affairs	x	x	Engineer - Meter Operations		x	
Analyst - Real Estate Agent	x	x	Fleet Stockkeeper		x	
Analyst - Regulatory & Tariffs		x	Foreperson - Standards Lab		x	
Analyst - System Planning	x		Foreperson - Subway		x	

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Non-Union Job Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Non-Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>
Analyst - Technical Support Services		x	Lead Analyst - Corporate Communications		x
Analyst - Training		x	Lead Analyst - Cust Service Performance	x	
Analyst - Voice Support	x		Lead Analyst - Electric Maintenance Eng	x	No Match
Analyst-Electric Maintenance Engineering	x		Lead Analyst - Field Planning		x
Associate Analyst - Compliance		x	Lead Analyst - Hydro		x
Associate Analyst-Field Customer Service	x		Lead Analyst - ISO Issues	x	
Associate Distribution Operator		x	Lead Analyst - Legal Services		x
Associate Engineer - Electric System Eng	x		Lead Analyst - Meter Services	x	
Associate Engineer - System Planning		x	Lead Analyst - Property Management	x	
Associate Engineer-Electric Distrib Eng	x	x	Lead Analyst - Public Affairs		x
Customer Representative - Trainee		x	Lead Analyst - Risk Management		x
Dir - Investment & Distribution Planning	x		Lead Analyst - SS Automation Support		x
Director - Customer Service		x	Lead Analyst - Supplier Relations	x	x
Director - Electric Distribution	x		Lead Analyst - Supplier Services	x	
Director - Facilities Management		x	Lead Analyst - T&D Support	x	No Match
Director - Fleet Services	x		Lead Analyst -Energy Efficiency Programs	x	
Director - Gas Design & Delivery		x	Lead Engineer - Hydro		x
Director - Gas Operations	x		Lead Engineer - Marketing & Sales	x	
Director - Human Resources	x		Lead Engineer - Meter Services	x	
Director - Public Affairs	x		Manager - Asset Management	x	
Director - Regulatory		x	Manager - Billing & Risk Management	x	
Director - T&D Support	x		Manager - CCS Business Support	x	
Director - Transmission	x		Manager - Customer Relations Center	x	
Distribution Operator		x	Manager - Customer Relations Center (NY)		x
Engineer - Electric Distribution Eng	x	x	Manager - Customer Service Performance	x	
Engineer - Electric System Engineering		x	Manager - Customer Service Transition	x	
Engineer - Field Telecommunications	x	x	Manager - Dispatch & ECC	x	
Engineer - Gas Engineering	x	x	Manager - Economic Development		x
Engineer - Investment Planning	x	x	Manager - EHS Compliance		x

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Non-Union Job Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Non-Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>
Engineer - System Planning	x		Manager - Electric Distribution QA/QC	x	
Executive Administrative Assistant		x	Manager - Electric Supplier Services	x	
Executive Administrator		x	Manager - Electric Supply	x	
Gang Foreperson - Substation Electrician		x	Manager - Electric System Planning	x	
Gang Foreperson A		x	Manager - Energy Efficiency Programs	x	
Lead Advisor - Human Resources	x	x	Manager - Energy Supply	x	
Lead Advisor-Program Developmt&Training	x	x	Manager - Fleet Services	x	
Lead Analyst - Advertising	x	x	Manager - Fossil Hydro Operations		x
Lead Analyst - Billing & Risk Management	x		Manager - Low Income and Advocacy	x	
Lead Analyst - CCS Business Support	x	x	Manager - Meter Services	x	
Lead Analyst - Compliance	x	x	Manager - Project Portfolio	x	x
Lead Analyst - Controller Support	x	x	Manager - Property Management	x	
Lead Analyst - Credit & Collections	x		Manager - Public Affairs	x	
Lead Analyst - Customer Relations Center	x	x	Manager - Real Estate	x	
Lead Analyst - Customer Service	x		Manager - Regulatory & Tariffs	x	
Lead Analyst - Dispatch & ECC	x	x	Manager - Revenue Recovery	x	
Lead Analyst - Electric Supply	x		Manager - Revenue Requirements	x	
Lead Analyst - Energy Buyer	x		Manager - Sales & Load Forecasting	x	
Lead Analyst - Field Customer Service		x	Manager - Sciences Laboratory		x
Lead Analyst - Gas Engineering	x	x	Manager - Security		x
Lead Analyst - GIS and Mapping	x	x	Manager - Sundry Billing & Collections		x
Lead Analyst - Health & Site Safety	x	x	Manager - Supplier Relations	x	
Lead Analyst - Investment Planning	x	x	Manager - Technical Services		x
Lead Analyst - Key Account Management	x	x	Manager - Training	x	
Lead Analyst - Performance & Budgets	x	x	Manager-Electric Maintenance Engineering	x	
Lead Analyst - Pricing & Analysis	x	x	Manager-Master Data &Engineering Records		x
Lead Analyst - Programs	x	x	Manager-Regional Outreach & Development	x	
Lead Analyst - Programs/Projects	x		Manager-Substation Automation & Tech Sup		x
Lead Analyst - Project Manager	x	x	Project Manager	x	

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Non-Union Job Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Non-Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	
Lead Analyst - Real Estate Agent	x		Project Manager - Gas			x
Lead Analyst - Regulatory & Tariffs		x	Project Manager - GIS & Mapping	x		
Lead Analyst - Sales & Load Forecasting	x		Representative - Credit & Collections			x
Lead Analyst - Security		x	Representative - Customer Billing			x
Lead Analyst - Trainer ECC	x	x	Representative - Field Services			x
Lead Analyst - Training	x	x	Representative - Meter Operations			x
Lead Analyst - Vegetation Management	x	x	Specialist - Meter Operations			x
Lead Analyst-Electric Supplier Services	x	x	Standards Engineer			x
Lead Analyst-Electric System Engineering	x		Supervisor - Billing & Risk Management	x		
Lead Analyst-Technical Support Services		x	Supervisor - Corrosion Engineering	x		
Lead Engineer - Asset Management	x	x	Supervisor - EHS Compliance	x		x
Lead Engineer - Dispatch & ECC	x		Supervisor - Electric Maintenance Eng	x		
Lead Engineer - Electric Maintenance Eng	x	x	Supervisor - Electric Supply	x		
Lead Engineer - Electric System Eng	x	x	Supervisor - Engineering Records	x		
Lead Engineer - Electric System Planning	x		Supervisor - Engineering Support			x
Lead Engineer - Gas Engineering	x	x	Supervisor - Gas Engineering			x
Lead Engineer - Network		x	Supervisor - Gas Supply Planning	x		
Lead Engineer-Electric Distribution Eng	x	x	Supervisor - Gas Supply Transportation	x		
Manager - Electric Capital Delivery	x	x	Supervisor - Hydro Ops & Maintenance	x		x
Manager - Electric System Engineering	x	x	Supervisor - Joint Use of Plant			x
Manager - Gas Engineering	x	x	Supervisor - Master Data	x		
Manager - Marketing & Sales	x		Supervisor - Performance & Budgets			x
Manager - Programs/Projects	x	x	Supervisor - Telecommunications			x
Manager - Regional Operations	x	x	Supervisor - Training			x
Manager - Regional Ops Cust Service	x	x	Supervisor- Electric Substation Engineer	x		
Manager - Substation Operations	x	x	Technical Aid	x		x
Manager - T&D Support	x		Technician - Boiler/Repairer			x
Manager - Vegetation Management	x		Technician - Building Maintenance 1/C			x
Managing Attorney		x	Technician - Communications	x		

Interns

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Non-Union Job Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Non-Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	
President		x	Technician - Communications A		x	
Representative - Field Customer Service	x	x	Technician - Drafting A		x	
Representative-Customer Relations Center		x	Technician - Electric Distribution Eng		x	
Senior Administrative Assistant		x	Technician - Electric Maintenance Eng		x	No Match
Supervisor - Construction & Maintenance	x	x	Technician - Electrical Systems		x	
Supervisor - Credit & Collections	x	x	Technician - Hydro		x	
Supervisor - Customer Billing	x	x	Technician - Hydro Control		x	No Match
Supervisor - Customer Relations Center	x	x	Technician - Instrument Control		x	
Supervisor - Dispatch & ECC	x	x	Technician - Mechanical Systems		x	
Supervisor - Electric System Engineering	x		Technician - Meter Operations		x	
Supervisor - Field Customer Service	x	x	Technician - Repair HVAC 1/C		x	
Supervisor - Field Planning	x	x	Vice President - Gas Operations	x		No Match
Supervisor - Fleet Services	x	x				
Supervisor - GIS and Mapping	x					
Supervisor - Meter Services	x					
Supervisor - Property Management	x	x				
Supervisor - Stores	x	x				
Supervisor - Substation Operations	x	x				
Supervisor - T&D Support		x				
Supervisor Transmission System Ops	x	x				
Supv - Substation Automation & Tech Sup	x	x				
System Operator - Dispatch & ECC		x				
Technician - Meter Services		x				
Technician - SCADA		x				
Vice President - Energy Services	x					
VP - Rates & Regulatory Economics		x				
VP, Controller & Treasurer		x				

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Union Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>
Chief Gas Fitter	x		Administrative Specialist		x
Chief Line Mechanic	x	x	Architectural Services Department Clerk	x	
Chief Line Mechanic - SSWU	x		Assistant Safety Equipment Inspector	x	
Chief Trouble Mechanic		x	Bookkeeping and Reports Clerk C	x	
Chief U.C.&M Mechanic - Maintenance	x		Building Operations Attendant A	x	
Customer Representative	x		Building Operations Attendant B	x	
Customer Representative Kirkwood	x		C & I Fitter 1/C		x
Electric Field Planner A	x		Cable Splicer		x
Gang Foreperson - Substation Electrician		x	Certified Welder	x	
Gang Foreperson A		x	Chief Cable Splicer		x
Gas Apprentice		x	Chief Field Tester	x	
Gas Fitter 1/C	x	x	Chief Mechanic	x	
Gas Fitter 2/C	x		Chief Relay Technician		x
Inspector		x	Chief Stockkeeper		x
Lead Mechanic - Fleet		x	Chief Storekeeper	x	
Lead Substation Electrician		x	Commercial & Industrial Gas Svc Tech		x
M & O Technician		x	Construction Department Clerk A	x	
Mechanic 1/C	x		Construction Department Clerk B	x	
Meter Reader - Collector	x		Construction Department Clerk C	x	
Meter Technician A	x		Customer Representative - Travel	x	
Pipefitter 1/C		x	Customer Service Department Clerk	x	
Relay Technician		x	Customer Service Representative	x	
Stock Handler	x		Distribution Data Clerk	x	
System Protection & Control Technician A	x		District Engineering Clerk	x	
Trouble Mechanic		x	Driver - Worker	x	
U.C.&M Mechanic 1/C	x		Driver - Worker - Line	x	
Underground Utilities Inspector		x	Electric Field Planner Trainee	x	
			Electric Field Representative	x	

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Union Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>
			Electric Meter Field Technician 1/C		x
			Electric Meter Laboratory Clerk B	x	
			Electric System Specialist		x
			Electrical Equipment Specialist 1/C		x
			Electrician		x
			Engineering Clerk B	x	
			Equipment Driver/Operator A	x	
			Equipment Driver/Operator B	x	
			Equipment Driver/Operator C	x	
			Fabricator - Sheet Metal		x
			Field Service Representative	x	
			Foreperson - Property Management		x
			Garage Clerk	x	
			Gas Field Planner	x	
			Gas Meter Laboratory Clerk	x	
			Gas Meter Mechanic 1/C	x	
			Gas Operating Department Clerk	x	
			Gas Welder	x	
			Hydro. Operator Class B Sta.	x	
			Interchange Billing Clerk	x	
			Janitor	x	
			Laboratory Tester 1/C	x	
			Laboratory Tester 3/C	x	
			Laborer Semi-Skilled	x	
			Lead Carpenter		x
			Lead Representative - Field Customer		x
			Line Apprentice	x	
			Line Inspector	x	



**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Union Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>
			Line Mechanic		x
			Line Mechanic 1/C	x	
			Line Mechanic 2/C	x	
			Mapper	x	
			Master Data Administrator	x	
			Mechanic - Fleet 1/C		x
			Messenger	x	
			Meter Department Clerk	x	
			Meter Technician		x
			Meter Technician B	x	
			Meter Technician Trainee	x	
			Multigraph Operator	x	
			Operating Reports Clerk	x	
			Ozalid Operator	x	
			Payment Transaction Processor A	x	
			Pipefitter 2/C		x
			Plastic & Tie-In Technician		x
			Rates & Regulatory Department Clerk	x	
			Regional Stockkeeper		x
			Representative - Field Services		x
			Representative - Meter Operations		x
			Safety Equipment Inspector	x	
			Section Operator	x	
			Senior Gas Serviceworker		x
			Senior Meter Technician		x
			Senior Storekeeper	x	
			Senior Truck Driver		x
			Stockkeeper		x

**Jobs indicated as "No match" were submitted for benchmarking but Towers Watson did not have adequate data to provide a benchmark**

<b>Union Titles Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>	<b>Union Job Titles Not Benchmarked</b>	<b>NYSEG</b>	<b>RG&amp;E</b>
			Storekeeper	x	
			Street Light Mechanic	x	
			Substation Electrician 1/C		x
			Surveyor's Assistant	x	
			System Protection & Control Tech Trainee	x	
			System Protection & Control Technician B	x	
			System Protection & Control Technician C	x	
			Technician - Field Collection A		x
			Technician - Machine 1/C		x
			Technician - Materials		x
			Technician - Rigging		x
			Technician - Welding 1/C		x
			Telephone Operator	x	
			Telephone Operator Clerk	x	
			To/So Specialist 1/C		x
			Typist Clerk	x	
			U.C.&M Mechanic 2/C	x	
			Welder		x
			Welder - General	x	

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

**Requesting Party:** Caitlyn Edmundson (PSC Staff)

**Request No.:** NYRC-1015 (DPS-374)

**Date of Request:** July 21, 2015

**Response Due Date:** August 12, 2015

**Date of Reply:** August 11, 2015

**Witness:** Workforce, Compensation and Benefits Panel

**Subject:** Variable Compensation Plan

**Question:**

1. Provide, in a usable electronic file, the Companies' tracking of its performance against its variable compensation plan targets for calendar years 2012-2014, as described on page 23, lines 5-15 and in Exhibits WCB – 9, 10, 12 of the direct testimony of the Workforce, Compensation and Benefits Panel. Provide any materials reviewed by the relevant board of directors regarding variable compensation and targets.
2. Regarding the response to NYRC-0742 (DPS-172), is there a cap on the percentage of the target paid out under the Union, Non-Union Non-Executive, and Non-Union Senior Leadership variable compensation plans? Explain why the actual percentage pay outs would be well in excess of the target pay outs. Do the targets reflect a reasonable stretch incentive?

**Response:**

The variable compensation is tracked as indicated in the attachments listed below. The tracking of Non-Union variable compensation plan is indicated in attachments 9 and 15.

1. Attached are the following:
  - o Attachment 1 – 2013 RG&E Union Variable compensation plan results (first year this plan was applicable)
  - o Attachment 2 – 2014 RG&E Union Variable compensation plan results

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

December 2012 Board meeting

- Attachment 3 – Board resolution language extracted from the Board minutes
- CONFIDENTIAL Attachment 4 – 2013 Incentive Plan Objectives and Plan Change Board presentation
- CONFIDENTIAL Attachment 5 – GIP plan document showing proposed changes from 12-5-12
- Also at this meeting the proposed objectives for 2013 were reviewed.

December 2013 Board meeting

- CONFIDENTIAL Attachment 6 – 2013 Non-Union variable compensation plan preliminary results presentation
- CONFIDENTIAL Attachment 7 – 2014 Non-Union variable compensation plan preliminary objectives presentation

February 2014 Board meeting

- Attachment 8 – Board resolution language extracted from the Board minutes
- CONFIDENTIAL Attachment 9 – 2013 Non-Union variable compensation plan results
- CONFIDENTIAL Attachment 10 – 2014 Non-Union variable compensation preliminary objectives
- CONFIDENTIAL Attachment 11 – 2013/2014 safety metrics update

February 2012 Board meeting

- CONFIDENTIAL Attachment 12 – 2012 Non-Union variable compensation plan objectives presentation
- CONFIDENTIAL Attachment 13 – AIP plan document showing proposed changes
- CONFIDENTIAL Attachment 14 – GIP plan document showing proposed changes
- Also at this meeting the proposed objectives for 2012 were reviewed.

December 2014 Board meeting

- CONFIDENTIAL Attachment 15 – 2014 preliminary results presentation

2. Caps paid out under each plan are as follows:

- The Union plan pays out a maximum of 100% of available variable lump sum and variable base pay
- The Non-Union Non-Executive variable pay plan pays out a maximum of 160% of target
- The Non-Union Senior Leadership variable pay plan pays out a maximum of 200% of target

**New York State Electric & Gas Corporation  
Rochester Gas and Electric Corporation  
Cases 15-E-0283, 15-E-0285, 15-G-0284, 15-G-0286**

**NYSEG and RG&E Electric and Gas Rate Cases**

**Request for Information**

- Targets are generally a reasonable stretch incentive. Excellent results which provide for the maximum awards above are generally extremely difficult to achieve.

While preparing the response to this request, the Companies found that a correction is required to Exhibits WCB – 10 and WCB – 12. In some cases, for level 3 executives (direct reports to the COO) the Business Area allocations were erroneously based on Personal targets. When these are corrected the overall percentages allocated to customers change as follows:

- RG&E: 56% changes to 55%
- NYSEG: 66% changes to 65%
- IUMC: no impact

The Companies will update the exhibits with the Rebuttal filing.

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Confidential Attachment 11 to this data request  
will be filed separately with the Records Access Officer.



## Memo

Date: October 6, 2015

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To: Ms. Susan K. Greenberg – Iberdrola

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From: Rhonda Elcock – Towers Watson/Boston

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**Subject: Rate Case Request– Benchmark Matching Methodology**

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For the purposes of the Rate Case Assessment, Towers Watson first collected background information from Iberdrola. This included organizational and business unit/divisional scope measures (e.g., revenues and employee counts) to use in collecting data for benchmarking purposes and information outlining the responsibilities and the reporting relationships of each position covered in this analysis (e.g., job descriptions and organizational charts).

When looking at a potential survey benchmark job for Iberdrola, to ensure a good match, we needed to understand each position's:

- Job duties and responsibilities
- Job qualifications
- Reporting relationships

This was primarily determined by the job descriptions and organizational charts collected above.

A good job-matching process ensures consistency, facilitates comparisons/analyses, and increases credibility and reliability of data. Generally 100% survey matches are rare; we aim to select survey benchmark matches to jobs that match more than 80% of job content and eliminate those that don't meet this criteria. In addition, multiple data points enable greater confidence in data consistency.

Where a survey job description significantly under or overstates the responsibilities of a job in an organization, we consider applying a premium or discount so that the data better reflects the assessed position. For example, a position that oversees HR except for compensation and benefits could be priced as a Top Human Resources Executive, discounted to reflect the lack of compensation and benefits responsibilities.

Premiums and discounts will vary depending on the extent to which the client and survey jobs differ. Premiums or discounts range from 10% to 15% to maintain the connection with the original data. If the job is that different from the survey role that would require a larger adjustment, it is considered a non-benchmark job. An adjustment of less than 10% suggests that there is not a significant difference between the survey job and the client job, and therefore the baseline data would be considered appropriate.

Regards,

**Rhonda Elcock**  
Senior Compensation Consultant  
**Towers Watson**

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cc: Patty Byrne (Towers Watson/Boston)  
Philip Abrams (Towers Watson/Boston)