

1 Q. On March 27, 2006, the Government of New Brunswick announced an
2 Energy Action Plan that as one of its components provided an instruction to
3 New Brunswick Power to find an additional \$20 million in savings, including a
4 review of its current composition of senior management. Has Newfoundland
5 and Labrador Hydro taken any steps to determine the ways and means that
6 New Brunswick Power has employed or will be employing to identify these
7 savings for possible adaptation to the operations of Newfoundland and
8 Labrador Hydro?

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11 A. Hydro conducted a review of the composition of its senior management
12 group as part of an overall corporate reorganization in the second half of
13 2005. This reorganization was focused on identifying organizational
14 efficiencies. Hydro's structure now reflects an appropriate level of focus on
15 its four key business unit areas: Regulated Operations, Upper Churchill
16 Operations, the Lower Churchill project, and Business Development – while
17 at the same time maintaining support in other key areas such as Finance,
18 Engineering Services, and Human Resources.

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20 Earlier in 2006 Hydro's leadership team approved a framework for
21 stewarding organizational excellence and continuous improvement within the
22 corporation. This framework is intended to ensure that Hydro has a
23 systematic approach to evaluating organizational effectiveness, and that
24 organizational improvement activities are integrated and coordinated on a
25 corporate-wide basis. This function will be carried out through the Human
26 Resources and Organizational Effectiveness division, which is currently in
27 the process of recruiting for a Senior Advisor, Organizational Development.
28 This individual will provide, facilitate or coordinate activities related to such

1 things as organizational and business effectiveness; job design;
2 benchmarking; team/group facilitation; change management; and will assist
3 in the implementation and maintenance of key organizational development
4 processes in areas such as succession planning; performance management;
5 and training/people development.