

- 1 **Q. Further to CA-NP-183, Attachment B, p. 1 of 1, reference is made in footnote 4 to an**
2 **increase in regulated Inter-Corporation Changes for Affiliates related to the**
3 **transfer of unused vacation credits to Fortis Inc. for Earl Ludlow resulting from his**
4 **accepting an Executive VP position at Fortis Inc. Please explain the basis and**
5 **reasons why NP was charged in such manner and provide a copy of any policy that**
6 **applies to the movement of executives from or to NP from other Fortis affiliates in**
7 **relation to inter-corporate changes.**
8
- 9 A. Mr. Ludlow transferred to Fortis Inc. in August 2014. The basis of the amount charged
10 was Mr. Ludlow's unutilized vacation balance recorded in the accounts of Newfoundland
11 Power. Mr. Ludlow accrued the vacation balance during his tenure at Newfoundland
12 Power, in a manner consistent with all other employees. The liability was taken over by
13 Fortis Inc. and therefore the amount was billed to offset the existing liability on
14 Newfoundland Power's accounts.
15
- 16 No policy exists for the movement of executives from or to Newfoundland Power from
17 other Fortis affiliates.