

- 1 **Q. CA-NP-206 shows the Incentive Target for each Executive and Director for 2015,**
2 **please explain whether and if so, how, the Incentive Target amount is also set or tied**
3 **to a market median for Executives and Directors.**
4
- 5 A. Newfoundland Power sets its Director and Executive salary policies and incentive targets
6 against the median of salaries paid by Canadian Commercial industrial companies.
7
- 8 The Hay Group Limited (the “Hay Group”) provides the Company with its estimate of
9 executive salary policy medians, as well as, incentive target percentages based on market
10 median.