

- 1 **Q. Further to PUB-NP-007, explain how the minimum threshold level for**
2 **Newfoundland Power’s return on equity is established for the STI plans and state**
3 **what it was each year from 2013 to 2015, inclusive.**
4
- 5 A. Newfoundland Power’s minimum threshold for return on equity within the short-term
6 incentive (“STI”) plan is established as a percentage of the regulated return on equity
7 determined by the Board for ratemaking purposes.
8
- 9 The minimum threshold return on equity within the STI plan for 2013, 2014 and 2015
10 was 8.0%, which reflected approximately 90% of the regulated return of 8.8%.