

Q. Please describe the Fortis Development Incentives program for managers and/or executives as applicable. Please also detail the bonuses paid (and the basis therefore) to NP personnel over the past 5 years including 2009 to date and provide how the bonus paid breaks down on an hourly rate basis (i.e. divide the bonus paid by the number of hours spent by the executive or manager in question).

A. There is no formal Fortis Development Incentive program for managers and executives.

Table 1 provides a summary of bonus payments made by Newfoundland Power and Fortis Inc. to Executives of the Company for their contribution to the corporate development of Fortis Inc. since 2005.

Table 1
Fortis Development Incentives
2005 to Present

Incentive Year	Paid by Newfoundland Power Inc.¹	Paid by Fortis Inc.²	Hourly Rate Equivalent
2004 (paid in 2005)			
Peter Alteen	\$23,320	\$40,000	\$94.79
2006 (paid in 2007)			
Peter Alteen	\$21,000		\$49.00
2007 (paid in 2008)			
Peter Alteen		\$60,000	\$150.00

The payments were made in respect of work performed on acquisitions of public utilities by Fortis Inc.

The total amounts of development incentives paid were borne by Fortis Inc. They were not derived on an hourly basis as suggested by the question.

¹ Amounts paid directly by Newfoundland Power Inc. are recorded as a non-regulated expense.

² Amounts paid directly by Fortis Inc. are not recharged to Newfoundland Power Inc.