

1 **Q. Reference CA-NP-120. At page 3 of the Hay Report of January, 2007, it stated,**  
2 **“Following a review of market practice, the following recommendation is made**  
3 **based on market median. No changes are proposed for Vice Presidents.” These**  
4 **comments were in respect of Annual Short Term Incentive Targets. What did the**  
5 **“review of market practice” consist of?**  
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7 A. The review of market practice, as completed by Hay Group, is a statistical comparison of  
8 compensation elements relative to a market of comparable jobs to those of the  
9 Newfoundland Power executives.