

1 Q. In reply to PUB-NLH-302, Hydro states *inter alia* that the comparator group for Non-  
2 Union Positions below Executive is the median of the Atlantic Canada Utilities. Why  
3 does Hydro compare this group to Atlantic Canadian Utilities and not the broader  
4 industry in Atlantic Canada or Canada?

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7 A. The majority of Hydro's workforce is in the utility business and therefore mostly  
8 aligns with the utility industry. Hydro chooses to compare itself relative to the  
9 Atlantic Canada Utilities, as this is where it competes for most employees below the  
10 level of executive (in both union and non-union positions). The median represents  
11 a competitive position that balances the need to attract quality candidates at  
12 reasonable cost. CA-NLH-266, Attachment 1 provides an excerpt of Mercer's  
13 compensation report which supports this as a reasonable, relevant market data  
14 group.

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16 Hydro does and will continue to review any market data deemed relevant based on  
17 local influences and/or special skills.