

Q. Please provide in respect of 2008 to 2012 copies of the Short Term Incentive Plan performance targets for each Newfoundland Power employee eligible to participate in the same; and the actuals paid out relative to the amount eligible for pay-out.

A. Executives and Managers are currently the only participants in the Short Term Incentive (“STI”) Plan.

Tables 1 to Table 5 show the corporate performance measures and targets for 2008 to 2012, respectively.

Table 1
Short Term Incentive Plan
Corporate Targets for 2008

Category	Measure	Target (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) ¹	2.94	15%
Customer Satisfaction	% Customer Satisfaction ²	88%	7.5%
	First Call Resolution	87%	7.5%
Safety	All Injury Frequency Rate	1.9	15%
Financial	Controllable Operating Cost ³ /Customer	\$207	20%
	Earnings	\$31.7m	35%

¹ Excludes Hydro loss of supply.

² As measured by Customer Satisfaction Survey.

³ Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

Table 2
Short Term Incentive Plan
Corporate Targets for 2009

Category	Measure	Target (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) ⁴	2.74	15.0%
Customer Satisfaction	% Customer Satisfaction ⁵	89%	7.5%
	First Call Resolution	88%	7.5%
Safety	All Injury Frequency Rate	2.2	15.0%
Financial	Controllable Operating Cost ⁶ /Customer	\$206	20.0%
	Earnings	\$31.7 m	35.0%

Table 3
Short Term Incentive Plan
Corporate Targets for 2010

Category	Measure	Target (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) ⁷	2.62	15.0%
Customer Satisfaction	% Customer Satisfaction ⁸	89%	7.5%
	First Call Resolution	88%	7.5%
Safety	All Injury Frequency Rate	1.8	15.0%
Financial	Controllable Operating Cost ⁹ /Customer	\$219.5	20.0%
	Earnings	\$34.0 m	35.0%

⁴ Excluding Hydro loss of supply.

⁵ As measured by Customer Satisfaction Survey.

⁶ Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

⁷ Excluding Hydro loss of supply.

⁸ As measured by Customer Satisfaction Survey.

⁹ Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

Table 4
Short Term Incentive Plan
Corporate Targets for 2011

Category	Measure	Target (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) ¹⁰	2.60	15.0%
Customer Satisfaction	% Customer Satisfaction ¹¹	89%	7.5%
	First Call Resolution	89%	7.5%
Safety	All Injury Frequency Rate	1.7	15.0%
Financial	Controllable Operating Cost ¹² /Customer	\$218	20.0%
	Earnings ¹³	\$32.0 m	35.0%

Table 5
Short Term Incentive Plan
Corporate Targets for 2012

Category	Measure	Target (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) ¹⁴	2.58	15.0%
Customer Satisfaction	% Customer Satisfaction ¹⁵	88.5%	7.5%
	First Call Resolution	88.5%	7.5%
Safety	All Injury Frequency Rate	1.56	15.0%
Financial	Controllable Operating Cost ¹⁶ /Customer	\$222.1	20.0%
	Earnings	\$31.5 m	35.0%

¹⁰ Excluding Hydro loss of supply and impact of PCB phase out.

¹¹ As measured by Customer Satisfaction Survey.

¹² Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

¹³ The 2011 earnings target updated to reflect operation of the Automatic Adjustment Formula which resulted in a reduction in the 2011 regulated ROE from 9% to 8.38%.

¹⁴ Excluding Hydro loss of supply and impact of PCB phase out.

¹⁵ As measured by Customer Satisfaction Survey.

¹⁶ Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

Attachment A provides the individual targets for participants in the STI Plan from 2008 to 2012.

STI Payouts

Table 6 provides total amounts paid under the STI Plan and the maximum STI payable annually from 2008 to forecast 2012.

Table 6
STI Payouts 2008 – 2012F
(\$000s)

Year	STI Payout	Maximum Payable
2008	688	1,019
2009	799	1,120
2010	707	995
2011	835	1,206
2012F	675 ¹⁷	1,249

¹⁷ 2012 forecast STI payouts are based on achieving 100% of targets.

Individual Targets
Short Term Incentive Plan 2008 – 2012

2008 Short Term Incentive Plan Performance Targets

VP – Engineering & Operations

Category	Target	Payout			
		Weight	0%	100%	150%
Productivity/Operating Efficiency	Improve productivity and operating efficiency within Operations and Engineering.	20%	Subjective with corporate operating costs +1%.	Subjective with corporate operating costs as plan.	Subjective with corporate operating costs -1%.
Operations	Lead development of Workforce Plan, including forecast of retirements and hiring and plans to maximize opportunities to streamline the workforce.	20%	Subjective	Subjective	Subjective
Reliability	Enhance reliability to customers (with consideration of SAIDI and SAIFI targets excluding Hydro caused outages).	25%	Subjective with SAIDI of 3.23 & SAIFI of 2.68.	Subjective with SAIDI of 2.94 & SAIFI of 2.44.	Subjective With SAIDI of 2.65 & SAIFI of 2.20.
Safety	Provide leadership in enhancing safety and ensuring complete integration of OHSAS 18001 into the Company (with consideration of the all injury/illness frequency rate).	25%	Subjective	Subjective	Subjective
Community Profile	Actively increase personal and corporate profile in communities the Company serves.	10%	Subjective	Subjective	Subjective

2008 Short Term Incentive Plan Performance Targets

VP – Finance & Chief Financial Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership in financial management to deliver appropriate corporate results.	40%	Subjective with minimum earnings of \$30.7m.	Subjective with minimum earnings of \$31.7m.	Subjective with minimum earnings of \$32.7m.
Financial	Lead financial aspects of IFRS development, renewal of credit facilities and inter-corporate priorities.	15%	Subjective	Subjective	Subjective
	Promote business principles and personal profile throughout the organization.	15%	Subjective	Subjective	Subjective
Risk Management	Maintain an appropriate risk management strategy for the Company.	15%	Subjective	Subjective	Subjective
Human Resources	Lead union negotiations and provide leadership in HR Corporate Strategy.	15%	Subjective	Subjective	Subjective

VP – Regulatory Affairs & General Counsel

Category	Target	Payout			
		Weight	0%	100%	150%
Corporate	Develop and implement corporate wide energy efficiency/conservation strategy that is coordinated with the Provincial Government's <i>Energy Plan</i> .	40%	Subjective	Subjective	Subjective
Employee Development	Improve development of Company's business management capabilities.	35%	Subjective	Subjective	Subjective
Governance	Reassess, and refresh where appropriate, current practices associated with providing ongoing information to the Board of Directors.	25%	Subjective	Subjective	Subjective

2008 Short Term Incentive Plan Performance Targets

VP – Customer Relations & Corporate Services

Category	Target	Payout			
		Weight	0%	100%	150%
Customer Service	Provide leadership in improving quality of customer service (with consideration of customer service and first call resolution (FCR) target results).	35%	Subjective with customer satisfaction of 86% & FCR of 85.	Subjective with customer satisfaction of 88% & FCR of 87.	Subjective with customer satisfaction of 90% & FCR of 89.
Productivity	Provide leadership in reducing corporate operating costs.	20%	Subjective with corporate operating costs plan +1%.	Subjective with corporate operating costs as plan.	Subjective with corporate operating costs plan -1%.
	Provide leadership in AMI and credit projects.	15%	Subjective	Subjective	Subjective
Community Profile	Actively increase personal and corporate profile in communities the Company serves.	15%	Subjective	Subjective	Subjective
People Leadership	Promote and foster employee success culture within the Company with particular focus on development of future leaders and top talent.	15%	Subjective	Subjective	Subjective

2008 Short Term Incentive Plan Performance Targets

President & Chief Executive Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership and oversight to deliver appropriate corporate results.	35%	Subjective with minimum earnings of \$30.7m.	Subjective with minimum earnings of \$31.7m.	Subjective with minimum earnings of \$32.7m.
Safety	Provide leadership in enhancing employee, contractor and public safety (with consideration of all injury/illness frequency rate).	15%	Subjective	Subjective	Subjective
Reliability & Customer Service	Enhance service to and maintain reliability for customers.	20%	Subjective	Subjective	Subjective
Stakeholder Relations	Ensure relationships with municipal and provincial governments, communities and major customers are fostered and maintained.	15%	Subjective	Subjective	Subjective
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and succession planning.	15%	Subjective	Subjective	Subjective

2009 Short Term Incentive Plan Performance Targets

VP – Engineering & Operations

Category	Target	Payout			
		Weight	0%	100%	150%
Productivity/ Operating Efficiency	Improve productivity and operating efficiency within Operations and Engineering.	20%	Subjective with corporate operating costs +1%.	Subjective with corporate operating costs as plan.	Subjective with corporate operating costs -1%.
Operations	Lead development of Workforce Plan, including succession plan for senior management, technical leaders and critical trades. Implement opportunities to streamline the workforce. Implement an action plan to develop the skills of the 4 operations managers. Accelerate the development of the 7 young engineers on the top talent list.	20%	Subjective	Subjective	Subjective
Reliability	Enhance reliability to customers (with consideration of SAIDI and SAIFI targets excluding Hydro caused outages).	25%	Subjective with SAIDI of 2.88 & SAIFI of 2.49.	Subjective with SAIDI of 2.74 & SAIFI of 2.37.	Subjective With SAIDI of 2.60 & SAIFI of 2.25.
Safety	Improve safety of field operations. This will be completed by improving the connection of our corporate safety team into field operations, establishing a Work Methods Committee and a Meter Reader Task Group specific to meter reader issues.	25%	Subjective	Subjective	Subjective
Community Profile	Actively increase personal and corporate profile in communities the Company serves.	10%	Subjective	Subjective	Subjective

2009 Short Term Incentive Plan Performance Targets

VP – Finance & Chief Financial Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership in financial management to deliver appropriate corporate results.	40%	Subjective with minimum earnings of \$30.7 m.	Subjective with minimum earnings of \$31.7 m.	Subjective with minimum earnings of \$32.7 m.
Financial	Lead financial aspects of IFRS development, long term financing and regulatory applications.	15%	Subjective	Subjective	Subjective
	Promote business principles and personal profile throughout the organization and the community.	15%	Subjective	Subjective	Subjective
Risk Management	Maintain an appropriate risk management strategy for the Company.	15%	Subjective	Subjective	Subjective
Human Resources	Develop and provide leadership in HR Corporate Strategy. Reassess and refresh HR role within the Company.	15%	Subjective	Subjective	Subjective

VP – Regulatory Affairs & General Counsel

Category	Target	Payout			
		Weight	0%	100%	150%
Regulatory	Lead development of regulatory position on employee future benefit cost recovery; oversee effective management of regulatory proceedings.	60%	Subjective	Subjective	Subjective
Employee Development	Provide guidance for Company's overall employee development policy and practice.	25%	Subjective	Subjective	Subjective
Governance	Provide guidance with respect to sound governance practice.	15%	Subjective	Subjective	Subjective

2009 Short Term Incentive Plan Performance Targets

VP – Customer Relations & Corporate Services

Category	Target	Payout			
		Weight	0%	100%	150%
Customer Service	Provide leadership in improving quality of customer service with consideration of customer service and first call resolution target results.	40%	Subjective with customer satisfaction of 87% & FCR of 86%.	Subjective with customer satisfaction of 89% & FCR of 88%.	Subjective with customer satisfaction of 90% & FCR of 89%.
Safety	Provide leadership in improving safety performance of customer relations function throughout the Company, with emphasis on meter reading.	25%	Subjective	Subjective	Subjective
Energy Efficiency	Provide leadership in delivery of energy efficiency programming to customers (subject to regulatory approval of cost deferral)	15%	Subjective	Subjective	Subjective
Productivity	Provide leadership in reducing corporate operating costs	10%	Subjective with corporate operating costs +1%.	Subjective with corporate operating costs as plan.	Subjective with corporate operating costs -1%.
Community Profile	Increase personal and corporate profile	10%	Subjective	Subjective	Subjective

2009 Short Term Incentive Plan Performance Targets

President & Chief Executive Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership and oversight to deliver appropriate corporate results.	35%	Subjective with minimum earnings of \$30.7m.	Subjective with minimum earnings of \$31.7m.	Subjective with minimum earnings of \$32.7m.
Safety	Provide leadership in enhancing employee, contractor and public safety (with consideration of all injury/illness frequency rate).	15%	Subjective	Subjective	Subjective
Reliability & Customer Service	Enhance service to and maintain reliability for customers.	20%	Subjective	Subjective	Subjective
Stakeholder Relations	Ensure relationships with municipal and provincial governments, communities and major customers are fostered and maintained.	15%	Subjective	Subjective	Subjective
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and succession planning.	15%	Subjective	Subjective	Subjective

2010 Short Term Incentive Plan Performance Targets

President & Chief Executive Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership and oversight to deliver appropriate corporate results.	35%	Subjective with minimum earnings of \$33.0m.	Subjective with minimum earnings of \$34.0m	Subjective with minimum earnings of \$35.0m.
Safety	Provide leadership in enhancing employee, contractor and public safety (with consideration of all injury/illness frequency rate).	15%	Subjective	Subjective	Subjective
Reliability & Customer Service	Enhance service to and maintain reliability for customers.	20%	Subjective	Subjective	Subjective
Stakeholder Relations	Ensure relationships with municipal and provincial governments, communities and major customers are fostered and maintained.	15%	Subjective	Subjective	Subjective
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and succession planning.	15%	Subjective	Subjective	Subjective

2010 Short Term Incentive Plan Performance Targets

VP – Customer Operations & Engineering

Category	Target	Payout			
		Weight	0%	100%	150%
Productivity/ Operating Efficiency	Improve productivity and operating efficiency within Operations and Engineering.	20%	Subjective with corporate operating costs +1%.	Subjective with corporate operating costs as plan.	Subjective with corporate operating costs -1%.
Operations	<p>Ensure effective implementation of organizational restructuring with focus on ensuring operational efficiency while fostering a strong service delivery culture.</p> <p>Integration of customer service with field operations</p> <p>Efficient Executive of capital program.</p>	30%	Subjective	Subjective	Subjective
Reliability	Enhance reliability to customers (with consideration of SAIDI and SAIFI targets excluding Hydro caused outages).	15%	Subjective with SAIDI of 2.75 & SAIFI of 2.38.	Subjective with SAIDI of 2.62 & SAIFI of 2.27.	Subjective With SAIDI of 2.49 & SAIFI of 2.15.
Safety	Improve safety of field operations. Improve the connection of our corporate safety team into field operations.	15%	Subjective	Subjective	Subjective
Customer Service	Provide leadership in improving quality of customer service with consideration of customer service and first call resolution target results.	20%	Subjective with customer satisfaction of 88%	Subjective with customer satisfaction of 89%	Subjective with customer satisfaction of 90%

2010 Short Term Incentive Plan Performance Targets

VP – Finance & Chief Financial Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership in financial management to deliver appropriate corporate results.	40%	Subjective with minimum earnings of \$33.0m.	Subjective with minimum earnings of \$34.0m	Subjective with minimum earnings of \$35.0m.
Financial	Lead financial aspects of IFRS development, financings and regulatory applications.	20%	Subjective	Subjective	Subjective
	Promote business principles and increase business acumen within Newfoundland Power.	15%	Subjective	Subjective	Subjective
Human Resources	Complete through review of Other Post Employee Benefits (OPEBs) in 2010. Develop and provide leadership in HR Corporate Strategy.	25%	Subjective	Subjective	Subjective

VP – Regulation & Planning

Category	Target	Payout			
		Weight	0%	100%	150%
Regulatory	Provide leadership and oversight on regulatory applications.	40%	Subjective	Subjective	Subjective
Governance	Provide guidance with respect to sound governance practice.	20%	Subjective	Subjective	Subjective
Information System & Technology	Provide leadership in IS corporate strategy. Improve operational efficiency by utilizing technology.	20%	Subjective	Subjective	Subjective
Corporate Planning	Lead coordination of overall corporate planning efforts.	20%	Subjective	Subjective	Subjective

2011 Short Term Incentive Plan Performance Targets

Earl Ludlow, President & Chief Executive Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership and oversight to deliver appropriate corporate results.	35%	Subjective with minimum earnings of \$31m	Subjective with minimum earnings of \$32m	Subjective with minimum earnings of \$33m
Safety	Provide leadership in enhancing employee, contractor and public safety (with consideration of all injury/illness frequency rate).	15%	Subjective	Subjective	Subjective
Reliability & Customer Service	Enhance service to and maintain reliability for customers.	20%	Subjective	Subjective	Subjective
Stakeholder Relations	Ensure relationships with municipal and provincial governments, communities and major customers are fostered and maintained.	15%	Subjective	Subjective	Subjective
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and succession planning.	15%	Subjective	Subjective	Subjective

2011 Short Term Incentive Plan Performance Targets

Gary Smith, VP – Customer Operations & Engineering

Category	Target	Payout			
		Weight	0%	100%	150%
Productivity/ Operating Efficiency	Improve productivity and operating efficiency within Operations and Engineering.	20%	Subjective with corporate operating costs +1%.	Subjective with corporate operating costs as plan	Subjective with corporate operating costs -1%
Operations	Ensure effective implementation of organizational restructuring with focus on ensuring operational efficiency, a strong service delivery culture and employee development. Integration of customer service with field operations. Integrate the new Bell Aliant arrangement into operation to maximize the benefits in 2011. Efficient execution of capital program and improve development at 2011 capital budget.	30%	Subjective	Subjective	Subjective
Reliability	Enhance reliability to customers (with consideration of SAIDI and SAIFI targets excluding Hydro caused outages).	15%	Subjective with SAIDI of 2.73 & SAIFI of 1.85	Subjective with SAIDI of 2.60 & SAIFI of 1.95	Subjective with SAIDI of 2.47 & SAIFI of 2.05
Safety	Improve safety of field operations. Improve the connection of our corporate safety team into field operations.	15%	Subjective	Subjective	Subjective
Customer Service	Provide leadership in improving quality of customer service with consideration of customer service and first call resolution target results and specific focus on execution of technical work request and street lights.	20%	Subjective with customer satisfaction of 88%	Subjective with customer satisfaction of 89%	Subjective with customer satisfaction of 90%

2011 Short Term Incentive Plan Performance Targets

Jocelyn Perry, VP – Finance & Chief Financial Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership in financial management to deliver appropriate corporate results.	40%	Subjective with minimum earnings of \$31m	Subjective with minimum earnings of \$32m	Subjective with minimum earnings of \$33m
Financial	Lead all aspects of Newfoundland Power's transition to US GAAP.	20%	Subjective	Subjective	Subjective
	Lead financial aspects of regulatory filings, credit ratings and financing.	15%	Subjective	Subjective	Subjective
Human Resources	Develop the HR function with specific focus on employee development. Lead contract negotiations with IBEW.	25%	Subjective	Subjective	Subjective

Table 6: Peter Alteen, VP – Regulation & Planning

Category	Target	Payout			
		Weight	0%	100%	150%
Regulatory	Provide leadership and oversight on regulatory applications, including the new support structure arrangements with Bell Aliant.	40%	Subjective	Subjective	Subjective
Information System & Technology	Provide leadership in IS corporate strategy. Improve operational efficiency by utilizing technology.	20%	Subjective	Subjective	Subjective
Governance	Provide guidance with respect to sound governance practice.	20%	Subjective	Subjective	Subjective
Corporate Planning	Further develop corporate planning capabilities.	20%	Subjective	Subjective	Subjective

2012 Short Term Incentive Plan Performance Targets

Earl Ludlow, President & Chief Executive Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership and oversight to deliver appropriate corporate results.	35%	Subjective with minimum earnings of \$30.5m	Subjective with minimum earnings of \$31.5m	Subjective with minimum earnings of \$32.5m
Safety	Provide leadership in enhancing employee, contractor and public safety (with consideration of all injury/illness frequency rate).	15%	Subjective	Subjective	Subjective
Reliability & Customer Service	Enhance service to and maintain reliability for customers.	20%	Subjective	Subjective	Subjective
Stakeholder Relations	Ensure relationships with municipal and provincial governments, communities and major customers are fostered and maintained.	15%	Subjective	Subjective	Subjective
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and succession planning.	15%	Subjective	Subjective	Subjective

2012 Short Term Incentive Plan Performance Targets

Gary Smith, VP – Customer Operations & Engineering

Category	Target	Payout			
		Weight	0%	100%	150%
Productivity/ Operating Efficiency	Improve productivity and operating efficiency within Operations and Engineering.	20%	Subjective	Subjective	Subjective
Operations	<p>Ensure effective implementation of organizational restructuring with focus on ensuring operational efficiency, a strong service delivery culture and employee development.</p> <p>Integration of customer service with field operations.</p> <p>Efficient execution of capital program and improve development at 2013 capital budget.</p>	30%	Subjective	Subjective	Subjective
Reliability	Enhance reliability to customers (with consideration of SAIDI and SAIFI targets excluding Hydro caused outages).	15%	Subjective with SAIDI of 2.71 & SAIFI of 1.9	Subjective with SAIDI of 2.58 & SAIFI of 1.81	Subjective With SAIDI of 2.45 & SAIFI of 1.72
Safety	Improve safety of field operations. Improve the connection of our corporate safety team into field operations.	15%	Subjective	Subjective	Subjective
Customer Service	Provide leadership in improving quality of customer service with consideration of customer service and first call resolution target results and specific focus on execution of work scheduling and mobile communication for field staff.	20%	Subjective with customer satisfaction of 88%	Subjective with customer satisfaction of 88.5%	Subjective with customer satisfaction of 89.5%

2012 Short Term Incentive Plan Performance Targets

Jocelyn Perry, VP – Finance & Chief Financial Officer

Category	Target	Payout			
		Weight	0%	100%	150%
Financial Results	Provide leadership in financial management to deliver appropriate corporate results.	40%	Subjective with minimum earnings of \$30.5m	Subjective with minimum earnings of \$31.5m	Subjective with minimum earnings of \$32.5m
Financial	Lead all aspects of Newfoundland Power's financial disclosure requirements including requirements under U.S. GAAP.	20%	Subjective	Subjective	Subjective
	Lead financial aspects of regulatory filings, credit ratings and financing.	15%	Subjective	Subjective	Subjective
Human Resources	Develop the HR function with specific focus on employee development, retention and recruitment. Lead management compensation review.	25%	Subjective	Subjective	Subjective

Peter Alteen, VP – Regulation & Planning

Category	Target	Payout			
		Weight	0%	100%	150%
Regulatory	Provide leadership and oversight on regulatory applications, including the 2012 cost of capital review.	40%	Subjective	Subjective	Subjective
Information System & Technology	Provide leadership in IS corporate strategy. Improve operational efficiency by utilizing technology.	20%	Subjective	Subjective	Subjective
Governance	Provide guidance with respect to sound governance practice.	20%	Subjective	Subjective	Subjective
Corporate Planning	Further develop corporate planning capabilities.	20%	Subjective	Subjective	Subjective

2008 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Western Region	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.		Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.		Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	Enhancement of personal and corporate profile with customers and community.
	35%		25%		25%	15%
Information Systems & Customer Relations	Leadership in corporate customer service improvement with first call resolution rate of 87% & customer satisfaction rating of 88.5%	Operating cost management	Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service	Enhancement of personal & corporate profile with employees, customers and in the community	Leadership in customer service & IS employee development	
	30%	20%	20%	15%	15%	
Rates & Regulation	Advancement of a coordinated corporate focus on energy efficiency.		Oversee the retail rate review		Reassess and refresh the energy supply and sales forecasting methodologies	
	45%		30%		25%	

2008 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Eastern Region	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program	Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements	Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures	Enhancement of personal and corporate profile with customers and community.
	35%	25%	25%	15%
Electrical Engineering	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program	Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements	Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures	
	40%	30%	30%	

2008 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Civil Engineering	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program		Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements		Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures			
	40%		30%		30%			
Corporate Affairs	Leadership in development of corporate plan for AMI implementation & credit improvements		Leadership in development of Workforce Plan		Leadership in development of medium to long term plans to reduce customer service functional costs		Enhance personal and corporate profile with employees, customers and in the community	
	30%		30%		30%		10%	
Corporate Relations	Leadership in increase of corporate community profile		Leadership in Government Relations		Development and execution of revised internal communications strategy		Development and execution of revised external communications strategy for the company	
	25%		25%		25%		25%	
Finance	Leadership in management of finance department and development of employees		Enhancement of treasury management function, including credit facility negotiation and cash management		Leadership on IFRS and policy development		Operating cost management	
	40%		20%		20%		20%	

Notes:

- Corporate Targets (50%) + Individual Target (50%) = 100%

2009 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Western Region	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.		Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.		Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	Enhancement of personal and corporate profile with customers and community.
	35%		25%		25%	15%
Information Systems & Customer Relations	Leadership in corporate customer service with consideration of first call resolution rate target of 88% & customer satisfaction target of 89%.	Operating cost management.	Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service.	Enhancement of personal & corporate profile with employees, customers and in the community.		Leadership in improving safety, with focus on meter reading safety.
	35%	15%	15%	10%		25%
Rates & Regulation	Advancement of a coordinated corporate focus on energy efficiency.		Oversee the retail rate review		Reassess and refresh the energy supply and sales forecasting methodologies	
	45%		30%		25%	

2009 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Eastern Region	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program	Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements	Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures	Enhancement of personal and corporate profile with customers and community.
	35%	25%	25%	15%
Electrical Engineering	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program	Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements	Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures	
	40%	30%	30%	

2009 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Civil Engineering	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program		Deliver on 2008 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements	Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures	
	40%		30%	30%	
Corporate Affairs	Leadership in management of Human Resources Department and development of employees.	Leadership in development of “employee future benefits” plan.	Leadership in development of employee development plan.	Enhance personal and corporate profile with employees, customers and in the community	
	40%	25%	25%	10%	
Corporate Relations	Leadership in increase of corporate community profile	Leadership in Government Relations	Development and execution of revised internal communications strategy	Development and execution of revised external communications strategy for the company	
	25%	25%	25%	25%	
Finance	Leadership in management of finance department and development of employees	Enhancement of treasury management function, including long term debt issuance and cash management	Leadership on IFRS and policy development	Operating cost management	
	40%	20%	20%	20%	

Notes:

1. Corporate Targets (50%) + Individual Target (50%) = 100%

2010 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Western Region	Execution of the capital plan with minimum power outages and improved trouble call response.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training work observation program and asset management program.	Deliver on 2010 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2010 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	Enhancement of personal and corporate profile with customers and community.
	15%	20%	25%	25%	15%
Information Systems & Customer Relations	Leadership in corporate customer service with consideration of first call resolution rate target of 88% & customer satisfaction target of 89%.	Operating cost management.	Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service.	Enhancement of personal & corporate profile with employees, customers and in the community.	Leadership in improving safety.
	35%	25%	15%	10%	15%
Rates & Regulation	Advancement of a coordinated corporate focus on energy efficiency.	Oversee the retail rate review and Regulatory Applications.		Reassess and refresh the energy supply and forecasting methodologies.	
	45%	30%		25%	

2010 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Eastern Region	Execution of the capital plan with minimum power outages and improved trouble call response.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.	Deliver on 2010 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2010 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	Enhancement of personal and corporate profile with customers and community.
	15%	20%	25%	25%	15%
Operations	Execution of the capital plan with minimum power outages and improved trouble call response.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.	Deliver on 2010 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2010 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	
	15%	25%	40%	20%	

2010 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Engineering	Execution of the capital plan with minimum power outages.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.	Deliver on 2010 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2010 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	Re-energize the engineering functions and improve project execution and succession planning.
	15%	20%	15%	35%	15
Human Resources & Corporate Affairs	Leadership in management of Human Resources Department and development of employees.	Execution of “employee future benefits” plan.	Execution of employee development plan.	Enhance personal and corporate profile with employees, customers and in the community.	
	40%	25%	25%	10%	
Corporate Relations	Leadership in increase of corporate community profile.	Leadership in Government Relations.	Development and execution of internal and external communications strategy.		
	40%	30%	30%		
Finance	Leadership in management of finance department and development of employees.	Enhancement of treasury management function, including cash management and banking services.	Leadership on IFRS and policy development.	Operating cost management.	
	40%	20%	20%	20%	

Notes: Corporate Targets (50%) + Individual Target (50%) = 100%

2011 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Western Region	<p>Execution of the capital plan with minimum power outages and improved trouble call response.</p> <p>Delivery of improvement in materials management.</p>	<p>Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training work observation program and accident investigation program.</p>	<p>Deliver on 2011 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.</p> <p>Deliver on 2011 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures</p>	<p>Lead in development of long term work/resource strategy for Western Newfoundland.</p> <p>Ensure effective transition of new joint use agreement.</p>	<p>Enhancement of personal and corporate profile with customers and community.</p>
	15%	20%	25%	25%	15%

2011 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Information Systems & Customer Relations	Leadership in corporate customer service with consideration of first call resolution rate target of 89% & customer satisfaction target of 89%.	Operating cost management.	Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service.	Enhancement of personal & corporate profile with employees, customers and in the community.	Leadership in improving safety.
	30%	25%	15%	10%	20%
Rates & Regulation	Advancement of a coordinated corporate focus on energy efficiency.	Oversee Regulatory Applications.		Reassess and refresh the energy supply and forecasting methodologies.	
	45%	30%		25%	

2011 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Eastern	<p>Execution of the capital plan with minimum power outages and improved trouble call response.</p> <p>Delivery of improvement in materials management.</p>	<p>Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and accident investigation program.</p>	<p>Deliver on 2011 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.</p> <p>Deliver on 2011 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.</p>	<p>Leadership in government relations and corporate community profile.</p> <p>Ensure effective transition of new joint use agreement.</p>	<p>Enhancement of personal and corporate profile with customers and community.</p>
	25%	20%	25%	15%	15%

2011 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

St. John's	<p>Execution of the capital plan with minimum power outages and improved trouble call response.</p> <p>Lead in development of an improved "workflow" to enhance employee productivity and customer service.</p> <p>Delivery of improvement in materials management.</p>	<p>Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and accident investigation program.</p>	<p>Deliver on 2011 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.</p> <p>Deliver on 2011 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.</p>	<p>Lead in third party provision services including the new support structure with Bell Aliant.</p>	<p>Enhancement of personal and corporate profile with customers and community.</p>
	25%	20%	25%	15%	15%

2011 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Operations	Execution of the capital plan with minimum power outages and improved trouble call response.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and accident investigation program.	Deliver on 2011 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2011 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	
	15%	30%	40%	15%	
Engineering	Execution of the capital plan with minimum power outages.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.	Deliver on 2011 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2011 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	Re-energize the engineering functions and improve project execution and succession planning.
	15%	20%	15%	35%	15

2011 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)					
Human Resources & Corporate Affairs	Leadership in management of Human Resources Department and development of employees.	Delivery of take charge customer programs and energy efficiency strategy.	Execution of employee development plan.	Enhance personal and corporate profile with employees, customers and in the community.	
	30%	25%	35%	10%	
Finance	Leadership in management of finance department and development of employees.	Enhancement of treasury management function, including cash management and banking services.	Leadership on financial reporting and policy development. Leadership on transition to IFRS/US GAAP	Operating cost management. Delivery of improved cost controls, monthly reporting and forecasting methodologies.	
	25%	10%	35%	30%	

Notes: Corporate Targets (50%) + Individual Target (50%) = 100%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Western Region	<p>Execution of the capital plan with minimum power outages and improved trouble call response.</p> <p>Delivery of improvement in materials management.</p> <p>Deliver on 2012 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.</p>	<p>Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training work observation program and accident investigation program.</p>	<p>Deliver on 2012 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.</p>	<p>Lead in development of long term work/resource strategy for Western Newfoundland.</p> <p>Ensure effective transition of new joint use agreement.</p>	<p>Enhancement of personal and corporate profile with customers and community.</p>
	25%	20%	25%	15%	15%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Information Systems & Customer Relations	Leadership in corporate customer service with consideration of first call resolution rate target of 88.5% & customer satisfaction target of 88.5%.	Operating cost management.	Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service.	Enhancement of personal & corporate profile with employees, customers and in the community.	Leadership in improving safety.	Develop and implement leadership development/succession plan for Information Systems and Customer Service.
	20%	20%	15%	10%	15%	20%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Rates & Regulation	Oversee Newfoundland Power 2012 cost of capital application.	Prepare rates evidence required for next Newfoundland Power general rate application.	Ensure appropriate intervention in all Newfoundland & Labrador Hydro regulatory applications.
	50%	25%	25%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Eastern	<p>Execution of the capital plan with minimum power outages and improved trouble call response.</p> <p>Delivery of improvement in materials management.</p> <p>Deliver on 2012 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.</p>	<p>Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and accident investigation program.</p>	<p>Deliver on 2012 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.</p>	<p>Leadership in government relations and corporate community profile.</p> <p>Ensure effective transition of new joint use agreement.</p>	<p>Enhancement of personal and corporate profile with customers and community.</p>
	25%	20%	25%	15%	15%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

St. John's	<p>Execution of the capital plan with minimum power outages and improved trouble call response.</p> <p>Lead in development of an improved "workflow" to enhance employee productivity and customer service.</p> <p>Delivery of improvement in materials management.</p> <p>Deliver on 2012 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.</p>	<p>Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and accident investigation program.</p>	<p>Deliver on 2012 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.</p>	<p>Lead in third party provision services including the new support structure with Bell Aliant.</p>	<p>Enhancement of personal and corporate profile with customers and community.</p>
	30%	20%	25%	10%	15%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Operations	Execution of the capital plan with minimum power outages and improved trouble call response.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and accident investigation program.	Deliver on 2012 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Deliver on 2012 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.
	15%	30%	40%	15%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)

Engineering	Execution of the capital plan with minimum power outages.	Lead in safety with consideration of safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including improvements in contractor safety, employee safety training, work observation program and asset management program.	Deliver on 2012 operating budget plan with consideration of employee productivity, customer service, environmental performance and planning for future operating cost improvements.	Develop 2012 corporate capital budget.	Re-energize the engineering functions and improve project execution and succession planning.
	25%	20%	15%	25%	15%

2012 Managers' Individual Targets (Valued at 50% ¹) (All Subjective)				
Human Resources & Corporate Affairs	Leadership in management of Human Resources Department and development of employees.	Delivery of take charge customer programs and energy efficiency strategy.	Execution of leadership development plan.	Enhance personal and corporate profile with employees, customers and in the community.
	35%	30%	25%	10%
Finance	Leadership in management of finance department and development of employees.	Enhancement of treasury management function, including cash management and banking services.	Leadership on financial reporting and policy development. Leadership on US GAAP	Operating cost management. Delivery of improved cost controls, monthly reporting and forecasting methodologies.
	20%	10%	20%	50%

Notes: Corporate Targets (50%) + Individual Target (50%) = 100%