11

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

<sup>&</sup>lt;sup>1</sup> Excludes Hydro loss of supply.

<sup>&</sup>lt;sup>2</sup> As measured by Customer Satisfaction Survey.

<sup>&</sup>lt;sup>3</sup> 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	<b>Target</b> (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) <sup>4</sup>	2.74	15.0%
Customer	% Customer Satisfaction <sup>5</sup>	89%	7.5%
Satisfaction	First Call Resolution	88%	7.5%
Safety	All Injury Frequency Rate	2.2	15.0%
Financial	Controllable Operating Cost <sup>6</sup> /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) <sup>7</sup>	2.62	15.0%
Customer	% Customer Satisfaction <sup>8</sup>	89%	7.5%
Satisfaction	First Call Resolution	88%	7.5%
Safety	All Injury Frequency Rate	1.8	15.0%
Financial	Controllable Operating Cost <sup>9</sup> /Customer	\$219.5	20.0%
	Earnings	\$34.0 m	35.0%

<sup>5</sup> As measured by Customer Satisfaction Survey.

<sup>8</sup> As measured by Customer Satisfaction Survey.

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<sup>&</sup>lt;sup>4</sup> Excluding Hydro loss of supply.

<sup>&</sup>lt;sup>6</sup> Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

<sup>&</sup>lt;sup>7</sup> Excluding Hydro loss of supply.

<sup>&</sup>lt;sup>9</sup> 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	<b>Target</b> (100%)	Weight
Reliability	Outage Hours/Customer (SAIDI) 10	2.60	15.0%
Customer	% Customer Satisfaction <sup>11</sup>	89%	7.5%
Satisfaction	First Call Resolution	89%	7.5%
Safety	All Injury Frequency Rate	1.7	15.0%
Financial	Controllable Operating Cost <sup>12</sup> /Customer	\$218	20.0%
	Earnings <sup>13</sup>	\$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	% Customer Satisfaction <sup>15</sup>	88.5%	7.5%
Satisfaction	First Call Resolution	88.5%	7.5%
Safety	All Injury Frequency Rate	1.56	15.0%
Financial	Controllable Operating Cost <sup>16</sup> /Customer	\$222.1	20.0%
	Earnings	\$31.5 m	35.0%

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

As measured by Customer Satisfaction Survey.

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

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%.

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

<sup>&</sup>lt;sup>15</sup> As measured by Customer Satisfaction Survey.

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	<b>Maximum Payable</b>
2008	688	1,019
2009	799	1,120
2010	707	995
2011	835	1,206
2012F	675 <sup>17</sup>	1,249

<sup>&</sup>lt;sup>17</sup> 2012 forecast STI payouts are based on achieving 100% of targets.

Individual Targets Short Term Incentive Plan 2008 – 2012

## **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	

#### **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			
	Ü	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

#### **VP** – Customer Relations & Corporate Services

Category	Target	Payout			
	, and the second	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

#### **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

#### **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

#### **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	

#### **VP** – Customer Relations & Corporate Services

Category	Target	Payout						
,g.		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			

#### **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.	minimum earnings of	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		

#### **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		

## **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 while fostering a strong service delivery culture.  Integration of customer service with field operations  Efficient Executive of capital program.	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%		

#### **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

#### 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		

#### **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		
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%		

#### $\ \, \textbf{Jocelyn Perry, VP-Finance \& Chief Financial Officer} \\$

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		1	<sup>2</sup> ayout	
		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

#### 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			

#### **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	Operations  Ensure effective implementation of organizational restructuring with focus on ensuring operational efficiency, a strong service delivery culture and employee development.		Calcination	Cultivation	Cabination			
	Integration of customer service with field operations.			Subjective	Subjective			
	Efficient execution of capital program and improve development at 2013 capital budget.							
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%			

#### 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% <sup>1</sup> ) (All Subjective)
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	2008 Man	agers' l	Indivi	dual Targets (Valued at 50%	% <sup>1</sup> ) (	(All Subjective	e)		
Western Region	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.		th conoductive vironn	on 2008 operating budget plan sideration of employee vity, customer service, nental performance and for future operating cost ments.	capi with of co- effe- depl reso plan futu	iver on 2008 ital projects in consideration ost variances, ctive loyment of ources and ining for re capital enditures.	corp	ancement of personal and orate profile with customers 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%	cost first call manager 7% &		Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service	personal & corporation profile with emplo		ees, development		
	30%		6	20%		15%		15%	
Rates & Regulation	Advancement of a coordinated corporate focus on energy efficiency.		Ove	Oversee the retail rate review		Reassess and refresh the energy supply and sales forecasting methodologies			
	45%			30%		25%			

	2008 Managers' In	ndividual	Targets (Valued a	t 50% <sup>1</sup> ) (All Subj	ective)		
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	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.	
TI	35%		25%	25%	D 11	15%	
Electrical Engineering	Lead in safety with consideration safety performance (all injury frequency rate), OHSAS 1800 audit, and success in SMS object targets and programs including improvements in contractor safety training, work observation program and asset	with consideration of productivity, custom environmental performance planning for future of improvements		of employee mer service, ormance and	considera effective	on 2008 capital projects with ation of cost variances, deployment of resources and for future capital expenditures	

30%

30%

management program

40%

	2008Managers' In	dividual	Targets (Valued a	t 50% <sup>1</sup> ) (All Subje	ective)	
Civil Engineering	safety performance (all injury frequency rate), OHSAS 18001 safety audit, and success in SMS objectives, targets and programs including		with consideration of employee productivity, customer service,		Deliver on 2008 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditure	
			30	)%		30%
Corporate Affairs	Leadership in development of corporate plan for AMI implementation & credit improvements		rship in development of medium to long plans to reduce cus service functional of medium to long plans to reduce cus		erm omer	Enhance personal and corporate profile with employees, customers and in the community
	30%		30%	30%		10%
<b>Corporate Relations</b>	Leadership in increase of corporate community profile	Leadersh Relations	ip in Government			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	ment Enhancement of treasury management function,		Leadership on IFRS policy development		Operating cost management
	40%		20%	20%		20%

#### Notes:

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

#### 2009 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (All Subjective) Lead in safety with consideration Deliver on 2008 operating budget plan Western Deliver on 2008 Enhancement of personal and of safety performance (all injury with consideration of employee corporate profile with customers Region capital projects with consideration frequency rate), OHSAS 18001 productivity, customer service, and community. safety audit, and success in SMS environmental performance and of cost variances, objectives, targets and programs planning for future operating cost effective including improvements in improvements. deployment of contractor safety, employee resources and safety training, work observation planning for program and asset management future capital expenditures. program. 35% 25% 25% 15% Leadership in corporate Operating Enhancement of Leadership in improving **Information** Leadership in identifying safety, with focus on meter customer service with and leveraging technologies personal & corporate Systems & cost Customer consideration of first call to enhance corporate profile with employees, reading safety. management. productivity and customer customers and in the Relations resolution rate target of 88% & customer service. community. satisfaction target of 89%. 35% 10% 15% 15% 25% Advancement of a coordinated Reassess and refresh the energy supply and sales Oversee the retail rate review Rates & corporate focus on energy efficiency. forecasting methodologies Regulation

30%

25%

45%

	2009 Managers' Ir	ndividual	Targets (Valued a	t 50% <sup>1</sup> ) (All Subj	ective)	
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	budget plan with consideration of employee productivity, customer service, environmental		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%		15%
Electrical Engineering	Lead in safety with considerate safety performance (all injury frequency rate), OHSAS 1800 audit, and success in SMS object targets and programs including improvements in contractor sate employee safety training, work observation program and asset management program	Deliver on 2008 ope with consideration of productivity, custon environmental performance of planning for future of improvements		erating budget plan Deliver of employee consider service, effect plans		on 2008 capital projects with ation of cost variances, deployment of resources and for future capital expenditures
	40%		30	)%		30%

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	
Corporate Affairs	40%  Leadership in management of Human Resources Department and development of employees.		ip in development oyee future plan.  30%  Leadership in development of employee developpian.			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	Leadersh Relations	ip in Government			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	managen		Leadership on IFRS 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.	18001 safety success in S objectives, t programs in improvement contractor sa	on of safety e (all injury hte), OHSAS y audit, and MS argets and cluding hts in hafety, hafety training yation hasset	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	5%	15%	10%	15%
Rates & Regulation	Advancement of a coordin corporate focus on energy		Oversee the Regulatory A	retail rate review and Applications.	Reassess and refresh forecasting methodol	the energy supply and ogies.
	45%			30%		25%

## 2010 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (All Subjective)

	2010 P	vianagers' individual Tar	gets (valued at 50%	) (An Subje	ective)	
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 a capital projectors deration variances, edeployment resources at for future capenditure	ects with on of cost effective of nd planning apital	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 budg plan with consideration of employee productivity, custome service, environmental performance and planning for future operating cost improvements.		considerati effective d	2010 capital projects with ion of cost variances, eployment of resources and or future capital res.
	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 wi consideration of a performance (all frequency rate), ( 18001 safety aud success in SMS objectives, target programs includi improvements in contractor safety, employee safety work observation program and asse- management pro-	safety injury OHSAS it, and s and ng training,	Deliver on 2010 operating budget plan with consider of employee productivity customer service, environmental performan planning for future operationst improvements.	ration,	Deliver on 2010 projects with consideration of variances, effect deployment of and planning for capital expendi	of cost etive resources or future	Re-energize the engineering functions and improve project execution and succession planning.
	15%	20%	<u> </u>	15%		35%		15
Human Resources & Corporate Affairs	Leadership in managemen Resources Department and employees.		benefits" plan.		empl	nployee corporate		personal and e profile with es, customers and in nunity.
	40%		25%			25%		10%
Corporate Relations	Leadership in increase of community profile.	crease of corporate Leade		nip in Government s.	Development and execution of communications strategy.			nternal and external
	40%			30%		30%		
Finance	department and development of employees.		Enhancement of treasury Lead management function, including and p		and p	ership on IFRS policy lopment.	Operating	g cost management.
	40%			20%		20%		20%

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

# 2011 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (All Subjective)

	T				
Western Region	Execution of the capital plan with minimum power outages and improved trouble call response.  Delivery of improvement in materials management.	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 2011operating 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	Lead in development of long term work/resource strategy for Western Newfoundland.  Ensure effective transition of new joint use agreement.	Enhancement of personal and corporate profile with customers and community.
	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%.  Lead in development of an improved "workflow" to enhance employee productivity and customer service.	Operating comanagement		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	5%	15%	10%	20%
Rates & Regulation	Advancement of a coordina corporate focus on energy			ulatory Applications.	Reassess and refresh forecasting methodol	the energy supply and ogies.
	45%			30%		25%

#### 2011 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (All Subjective) Eastern Execution of the capital Lead in safety with Deliver on 2011 Leadership in Enhancement of personal plan with minimum consideration of safety government relations and corporate profile with operating budget plan power outages and performance (all injury with consideration of and corporate customers and community. improved trouble call frequency rate), OHSAS employee community profile. 18001 safety audit, and productivity, response. success in SMS customer service, Ensure effective Delivery of improvement objectives, targets and environmental transition of new joint in materials management. programs including performance and use agreement. improvements in planning for future contractor safety, operating cost employee safety training, improvements. work observation program and accident Deliver on 2011 investigation program. capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures. 25% 20% 25% 15% 15%

# 2011 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (All Subjective)

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

## 2011 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (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 budge 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%	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% <sup>1</sup> ) (All Subjective)								
Human Resources & Corporate Affairs	Leadership in management of Human Resources Department and development employees.		y of take charge customer ns and energy efficiency	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.	manage	ement of treasury ement function, including anagement and banking s.	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% <sup>1</sup>) (All Subjective)

# 2012 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (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%.  Lead in development of an improved "workflow" to enhance employee productivity and customer service.		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% <sup>1</sup> ) (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% <sup>1</sup>) (All Subjective) Eastern Execution of the capital Lead in safety with Deliver on 2012 Leadership in Enhancement of personal plan with minimum consideration of safety government relations and corporate profile with operating budget plan power outages and performance (all injury with consideration of and corporate customers and community. improved trouble call frequency rate), OHSAS employee community profile. 18001 safety audit, and productivity, response. success in SMS customer service, Ensure effective Delivery of improvement objectives, targets and environmental transition of new joint in materials management. programs including performance and use agreement. improvements in planning for future Deliver on 2012 capital contractor safety, operating cost projects with employee safety training, improvements. consideration of cost work observation variances, effective program and accident deployment of resources investigation program. and planning for future capital expenditures. 25% 20% 25% 15% 15%

## 2012 Managers' Individual Targets (Valued at 50% <sup>1</sup>) (All Subjective)

2012 Managers Marvidadi Targets (Valued at 2070 ) (Im Subjective)							
St. John's	Execution of the capital plan with minimum power outages and improved trouble call response.  Lead in development of an improved "workflow" to enhance employee productivity and customer service.  Delivery of improvement in materials management.  Deliver on 2012 capital projects with consideration of cost variances, effective deployment of resources and planning for future capital expenditures.	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.	Lead in third party provision services including the new support structure with Bell Aliant.	Enhancement of personal and corporate profile with customers and community		
	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	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.
		programs including improvements in contractor safety, employee safety training, work observation program and asset management program.			
	25%	20%	15%	25%	15%

2012 Managers' Individual Targets (Valued at 50% <sup>1</sup> ) (All Subjective)				
Human	Leadership in management of Human	Delivery of take charge customer	Execution of	Enhance personal and
Resources &	Resources Department and development of	programs and energy efficiency	leadership	corporate profile with
Corporate	employees.	strategy.	development plan.	employees, customers and in
Affairs				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%