

- 1 **Q. Reference: CA-NP-48, p. 3 of 3:**
2
3 (a) please provide a copy of NP's current Manager and Executive Group salary
4 policy and incentive targets;
5
6 (b) provide for 2006 and 2007 documentation pertaining to the median of
7 salaries paid by Canadian Commercial Industrial companies;
8
9 (c) provide in respect of 2006, 2007 and 2008 copies of the STI performance
10 targets for each NP employee eligible to participate in the same.
11
12 A. (a) Table 1 shows the Salary Policy and Incentive Targets for Manager and Executive
13 group members by position.
14
15

Table 1
Salary Policy and Incentive Targets for 2007
as a Percentage of Base Pay

	Salary Policy ¹	Incentive Target ² (as a % of Base Pay)
Executives		
President & CEO	\$321,700	40%
VP Engineering & Operations	\$225,000	30%
VP Finance & CFO	\$201,500	30%
VP Customer Relations & Corporate Services	\$193,300	30%
VP Regulatory Affairs & General Counsel	\$193,300	30%
Managers		
Regional Manager	\$146,500	15%
Manager Corporate Communications & HR	\$139,100	15%
Manager Customer Relations	\$128,500	15%
Manager Information Services	\$128,500	15%
Manager Engineering	\$128,500	15%
Manager Finance	\$125,300	15%
Manager Corporate Planning	\$123,100	15%

16

¹ Salary policy based on advice of compensation consultant Hay Group.

² Target incentive payout based on achievement of 100% of corporate and individual targets.

1 (b) Attachment A contains HayGroup's recommendations for Newfoundland Power's
2 salary policy based on the median of salaries paid by Canadian Commercial
3 Industrial companies for the Executive and Manager groups for 2006 and 2007,
4 respectively.

5
6 (c) Executives and Managers are currently the only participants of the STI Plan.

7
8 Table 2 and Table 3 show the corporate performance measures and targets for
9 2006 and 2007, respectively. Targets for 2008 will not be approved until January
10 2008.
11
12

Table 2
Short Term Incentive Plan
Corporate Targets for 2006

Category	Measure	Target (100%)	Weight
Reliability ³	Outage Hours/Customer (SAIDI)	3.98	10%
	Outage/Customer (SAIFI)	2.89	10%
Customer Satisfaction	% Customer Satisfaction ⁴	87%	10%
Safety	All Injury/Illness Frequency Rate	1.6	10%
Financial	Controllable Operating Cost ⁵ /Customer	\$210	25%
	Earnings	\$29.1m	35%

13
14
15 Attachment B provides the individual targets. The relative weightings of corporate and
16 individual targets are provided in the response to CA-NP-51, Table 1, p. 1 of 3.

³ Excluding Hydro loss of supply.

⁴ As measured by Customer Satisfaction Survey.

⁵ Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

1

Table 3
Short Term Incentive Plan
Corporate Targets for 2007

Category	Measure	Target (100%)	Weight
Reliability ⁶	Outages/Customer (SAIFI)	2.63	15.0%
Customer Satisfaction	% Customer Satisfaction ⁷	89%	7.5%
	First call resolution	87%	7.5%
Safety	All Injury/Illness Frequency Rate	1.9	15.0%
Financial	Controllable Operating Cost ⁸ /Customer	\$207	20.0%
	Earnings	\$28.6 m	35.0%

2

⁶ Excluding Hydro loss of supply.

⁷ As measured by Customer Satisfaction Survey.

⁸ Controllable operating costs exclude costs related to pension and retirement allowances, PUB assessments and inter-corporate charges.

**HayGroup's recommendations for
Newfoundland Power's salary policy
based on the median of salaries paid by
Canadian Commercial Industrial companies
for the Executive and Manager groups for 2006 and 2007**

Hay Group Limited
 121 King Street West
 Suite 700
 Toronto, ON M5H 3X7
 Canada

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www.haygroup.ca

January 18, 2007

Ms. Lisa Hutchens
 Vice-President, Customer Relations
 & Corporate Services
 Newfoundland Power
 55 Kenmount Road
 P. O. Box 8910
 St. John's, Newfoundland A1B 3P6

Lisa,

Re: Executive Compensation – 2007 Salary Policy

You have asked us to recommend salary policy levels in 2007 for members of the executive group. Our views are based upon compensation information in the Hay database accumulated from the Commercial Industrial executive market effective May 1st, 2006. Out of 255 Commercial Industrial organizations in the Hay database, 191 of them did submit data for their executives. The list is attached.

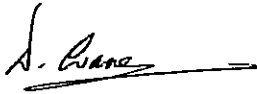
Table 1 illustrates the recommended salary policy based on May 2006 median actual commercial industrial salary data adjusted upwards by 3.5%. This percentage is itself based upon expected industrial 2007 executive salary adjustments revealed by our September 2006 survey of 388 industrial companies.

Table 1 – Recommended 2007 Executive Compensation Policy

Position	Newfoundland Power	
	2006 Policy	Recommended 2007 Policy
President & CEO - Smith	315,000	321,700
VP, Engineering & Operations - Delaney	218,000	225,000
VP, Finance & CFO - Perry	192,000	201,500
VP, Customer Relations & Corporate Services - Hutchens	182,000	193,300
VP, Regulatory Affairs & General Counsel - Alteen	182,000	193,300

Please call me if you need to discuss any aspect of this letter in more detail.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Crane", with a horizontal line underneath.

David Crane
National Practice Leader,
Executive Compensation

Commercial Industrials – Executive Market (N=191)

- A&W Food Services of Canada Inc.
- AT Plastics Inc.
- Abitibi Consolidated Inc.
- AgraPoint International, Inc.
- Ainsworth Engineered Canada L. P.
- Aker Kvaerner Chemetics
- Alberta-Pacific Forest Industries Inc.
- Alcan Inc.
- Alcatel Canada Inc. - Transport Automation
- Algoma Steel Inc.
- AltaSteel Ltd.
- Arkema Canada Inc.
- AstraZeneca Canada Inc.
- Atlantic Minerals Limited
- Atlantic Packaging Products Ltd.
- Atotech Canada Ltd.
- BHP Billiton Ekati Diamond Mines
- BHP Billiton World Exploration Inc.
- Babcock & Wilcox Canada
- Barrick Gold Corporation
- Barry Callebaut Canada Inc.
- The Bay
- Bayer Inc.
- The Beer Store
- Bericap North America Inc.
- Blount Canada Ltd.
- Boehringer Ingelheim (Canada) Ltd.
- Bruce Power
- CHEP Canada
- CKF Inc.
- Cambior Inc.
- Canadelle Inc.
- Canadian Forest Products Ltd.
- Canadian National Railway Company
- Canadian Pacific Railway
- Canexus Limited
- Canpotex Limited
- Catalyst Paper Corporation
- Centerra Gold Inc.
- Christie Digital Systems Inc.
- Ciba Specialty Chemicals Canada Inc.
- Co-op Atlantic
- Coca-Cola Ltd.
- Coleman Management Services
- La Compagnie minière Québec Cartier
- Cooper Industries (Canada) Inc.
- Country Ribbon Inc.
- Daishowa-Marubeni International Ltd.
- De Beers Canada Inc., Corporate Division
- De Beers Canada Inc., Exploration Division
- Dofasco Automotive Group
- Dofasco Inc.
- Dofasco Tubular Products Corporation
- Duke Energy Gas Transmission
- E.I. du Pont Canada Company
- EWOS Canada Ltd.
- Effem Inc.
- Emera Inc.
- Enbridge Gas Distribution Inc.
- Falconbridge Limited
- Finning (Canada)
- Finning International Inc.
- Fishery Products International Limited
- FundSERV Inc.
- Gates Canada Inc.
- General Kinetics Engineering Corporation
- Gerdau Ameristeel
- Goodyear Canada Incorporated
- Grand & Toy
- Griffith Laboratories Limited
- HDS Retail North America
- H.J. Heinz Company of Canada Ltd.
- Hanson Brick Limited
- Hoffmann-La Roche Ltd.
- Home Hardware Stores Limited
- Hudson's Bay Company
- Hybrid Turkeys
- INVISTA (Canada) Company
- ITW Construction Products
- ITW Foils
- ITW Unipac
- Inco Limited
- Ingersoll-Rand Canada Inc.
- International Forest Products Limited
- JTI-Macdonald Corp.
- James Richardson International Limited

- John Deere Limited Canada
- KPMG MSLP
- Kellogg Canada Inc.
- Kimberly-Clark Corporation
- Kinross Gold Corporation
- Kruger Inc.
- Kuehne + Nagel Ltd.
- LANXESS Inc.
- Labatt Breweries of Canada
- Lantic Sugar Limited
- Lego Systems, Inc.
- Levi Strauss & Co. (Canada) Inc.
- Lilydale Inc.
- Luscar Ltd.
- MDA
- MIP Inc.
- Mainstream Canada Ltd.
- Manitoba Telecom Services Inc.
- Mattamy Homes Limited
- Maxim Power Corp.
- McCormick Canada Co.
- McElhanney Consulting Services Ltd.
- The McElhanney Group Ltd.
- McElhanney Land Surveys Ltd.
- Merck Frosst Canada & Co.
- Meridian Technologies Inc.
- Minas Basin Pulp & Power Co. Ltd.
- Mitsubishi Canada Limited
- Mittal Canada Inc.
- The Mosaic Company
- NOVA Chemicals Corporation
- Neenah Paper, Inc. - Pictou Mill
- Neo Material Technologies Inc.
- Neopost Canada
- Nestlé Canada Inc.
- Newmont Mining Corporation of Canada Limited
- NorTerra Inc.
- North American Palladium Ltd.
- Nova Scotia Power Inc.
- Novartis Pharma Canada Inc.
- Nunavut Investment Group Inc.
- Oakrun Farm Bakery Ltd.
- Organon Canada
- Osler, Hoskin & Harcourt, LLP
- P & H MinePro Services
- PPG Canada Inc.
- PPG Canada Inc. - Automotive Glass Division
- PPG Canada Inc. - Fine Chemicals Division
- PPG Canada Inc. - Flat Glass Division
- PPG Canada Inc. - Industrial Coatings Division
- Pan American Silver Corporation
- Patheon Inc.
- Pepsi-QTG Canada Inc.
- Petro-Canada
- PolyCello
- Potash Corporation of Saskatchewan Inc.
- Praxair Canada Inc. - Industrial Gas Division
- Praxair Canada Inc. - Packaged Gas Division
- QIT-Fer et Titane Inc.
- Qualico Homes
- Rhodia Canada Inc.
- Robeez Footwear Ltd.
- Roche Diagnostics Canada
- Rogers Sugar Ltd.
- Rohm and Haas Canada Inc.
- Russel Metals Inc.
- St Marys Cement Inc.
- Sandvik Materials Technology Canada
- sanofi-aventis
- sanofi pasteur
- Saskatchewan Wheat Pool
- Saskferco Products Inc.
- Scotia Investments Ltd.
- Scott Paper Limited
- Siemens Power Generation, A Division of Siemens Canada Ltd.
- Skretting
- Société PCI Chimie Canada
- Stelco Inc.
- Stork Bronswerk Inc.
- Sutherland-Schultz Inc.
- Syncrude Canada Ltd.
- Tate & Lyle Canada Ltd.
- Teck Cominco Limited
- Teknion Corporation
- Tembec Inc.
- Thrifty Foods Inc.
- TimberWest Forest Corp.
- Tolko Industries Ltd.
- TransAlta Corporation
- TransCanada Corporation

- Transwest Mining Systems
- Tree Island Industries Ltd.
- Ultramar Ltée
- Union Gas Ltd.
- uniPHARM Wholesale Drugs Ltd.
- Vanguard Plastics Ltd.
- W.E.T. Automotive Systems Ltd.
- Wal-Mart Canada Inc.
- West Fraser Timber Co. Ltd.
- Western Oil Sands Inc.
- Weyerhaeuser Company Ltd.
- Winners Merchants International L.P.
- Wyeth Pharmaceuticals
- Zellers
- Zellstoff Celgar Partnership Limited

Hay Group Limited
Standard Life Centre
121 King Street West
Suite 700
Toronto, ON
M5H 3X7

October 12, 2005

HayGroup

Ms. Lisa Hutchens
Vice-President, Customer Relations
Corporate Services
Newfoundland Power
55 Kenmount Road
P. O. Box 8910
St. John's, Newfoundland
A1B 3P6

Dear Lisa,

Re: Executive Compensation – 2006 Salary Policy

It was a pleasure to meet you two weeks ago. You have asked us to recommend salary policy levels in 2006 for members of the executive group.

Our recommendations are based upon compensation information in the Hay database accumulated from the Commercial Industrial market with an effective data of May 2005. The list of 208 companies is attached, up from 194 last year.

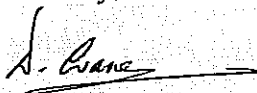
Our September survey of over 400 industrial organizations suggests that expected executive salary adjustments in 2006 will average 3%. Accordingly we recommend the salary ranges illustrated in Table 1 on the following page.

Table 1 – Recommended 2006 Executive Compensation Policy

Position	Newfoundland Power	
	2005 Policy	Recommended 2006 Policy
President & CEO Smith	306,000	315,000
VP, Engineering & Operations Delaney	212,000	218,000
VP, Finance Perry	186,000	192,000
VP, Customer & Corporate Services Hutchens	177,000	182,000
VP, Regulatory Affairs & General Counsel Alteen	177,000	182,000

Please call me if you need to discuss any aspect of this letter in more detail.

Sincerely,



David Crane
National Practice Leader,
Executive Compensation

Industrial Companies

- A&W Food Services of Canada Inc.
- ACCO Canada Inc.
- AMGEN Canada Inc.
- AMR Technologies Inc.
- AT Plastics Inc.
- Accenture Business Services for Utilities
- Aecon Group Inc.
- AgraPoint International, Inc.
- Aker Kvaerner Chemetics
- Alberta Pacific Forest Industries Inc.
- Alcan Inc.
- Alcatel Canada Inc. - Transport Automation
- Algoma Steel Inc.
- Allergan Canada Inc.
- AltaSteel Ltd.
- Andrés Wines Ltd.
- Arkema Canada Inc.
- AstraZeneca Canada Inc.
- Atlantic Minerals Limited
- Atlantic Packaging Products Ltd.
- Atotech Canada Ltd.
- BASF Canada Inc.
- BHP Billiton Ekati Diamond Mines
- BOC Canada Limited
- BPB Canada Inc.
- BTI Canada
- Barrick Gold Corporation
- The Bay
- Bayer Inc.
- Becton Dickinson Canada Inc.
- The Beer Store
- Bericap North America Inc.
- Blount Canada Ltd.
- Boehringer Ingelheim (Canada) Ltd.
- CKF Inc.
- CSG Security Inc.
- Cadbury Schweppes
- Cadbury Trebor Allan Inc.
- Cambior Inc.
- Canadelle Inc.
- Canadian Autoparts Toyota Inc.
- Canadian Forest Products Ltd.
- Canadian National Railway Company
- Canadian Pacific Railway
- Canpotex Limited
- Cargill Limited
- Cascade Aerospace
- Celgar Pulp Company
- Centerra Gold Inc.
- Christie Digital Systems Inc.
- Co-op Atlantic
- Coca-Cola Bottling Company
- Coca-Cola Ltd.
- Cooper Industries (Canada) Inc.
- Copperweld Automotive Group Canadian Operations
- Copperweld Tubular Products Brampton
- Cott Corporation
- Country Ribbon Inc.
- Daishowa-Marubeni International Ltd.
- Danone Canada Inc.
- De Beers Canada Inc., Corporate Division
- De Beers Canada Inc., Exploration Division
- Deeley Harley-Davidson Canada
- Denso Manufacturing Canada Inc.
- Dofasco Inc.
- Domtar Inc.
- ERCO Worldwide
- E.I. du Pont Company Canada
- Emera Inc.
- Enbridge Gas Distribution Inc.
- Enbridge Inc.
- Enbridge International Inc.
- Enbridge Pipelines Inc.
- Energizer Canada Inc.
- Falconbridge Limited
- Faurecia Automotive Seating Canada Ltd.
- Finning (Canada)
- Finning International Inc.
- Fishery Products International Limited
- Frito Lay Canada
- FundSERV Inc.
- GSW Inc.
- Gates Canada Inc.
- Gay Lea Foods Cooperative Limited
- General Kinetics Engineering Corporation
- General Mills Canada Corporation
- Gerdau Ameristeel
- Givaudan Canada Co.
- Goodyear Canada Incorporated
- Grand & Toy
- Greening Donald Company Ltd.
- Griffith Laboratories Ltd.
- HDS Retail North America
- H.J. Heinz Company of Canada Ltd.
- Hanson Building Materials America
- Harvard Developments Inc.
- Hiram Walker & Sons Ltd.
- Hoffmann-La Roche Ltd.
- Home Hardware Stores Limited
- Hudson's Bay Company
- Humber Valley Resort
- INVISTA (Canada) Company
- ITW Foils
- Inco Limited
- Ingersoll-Rand Canada Inc.
- International Forest Products Limited
- Iovate Health Sciences Services Inc.

-
- JTI-Macdonald Corp.
 - James Richardson International Limited
 - John Deere Limited Canada
 - KPMG MSLP
 - Keilhauer
 - Kellogg Canada Inc.
 - Kimberly-Clark Inc.
 - Kinross Gold Corporation
 - Kraft Canada Inc.
 - Kuehne & Nagel International Ltd.
 - LANXESS Inc.
 - Labatt Breweries of Canada
 - Lantic Sugar Limited
 - Lego Systems, Inc.
 - Levi Strauss & Co. (Canada) Inc.
 - Lilydale Foods
 - Loewen
 - Luscar Ltd.
 - MDA
 - The MIBRO Group
 - Major Drilling Group International Inc.
 - Manitoba Telecom Services Inc.
 - Mattamy Homes Limited
 - McCormick Canada Co.
 - McElhanney Consulting Services Ltd.
 - The McElhanney Group Ltd.
 - McElhanney Land Surveys Ltd.
 - Meridian Technologies Inc.
 - Millar Western Forest Products Ltd.
 - Mitsubishi Canada Limited
 - Mosaic
 - NOVA Chemicals Corporation
 - Neenah Paper, Inc. - Pictou Mill
 - Neenah Paper, Inc. - Terrace Bay Mill
 - Nestlé Canada Inc.
 - Nexen Chemicals
 - NexInnovations Inc.
 - NorskeCanada
 - NorTerra Inc.
 - Nova Scotia Power Inc.
 - Nunavut Investment Group Inc.
 - OSRAM Sylvania Limited
 - Oakrun Farm Bakery Ltd.
 - Osler, Hoskin & Harcourt, LLP
 - Overwaitea Food Group
 - PPG Canada Inc.
 - PPG Canada Inc. - Fine Chemicals Division
 - PPG Canada Inc. - Flat Glass Division
 - PPG Canada Inc. - Industrial Coatings Division
 - Patheon Inc.
 - Pepsi-QTG Canada Inc.
 - Petro-Canada
 - Pirelli Power Cables and Systems Canada Ltd.
 - Placer Dome North America
 - PolyCello
 - Potash Corporation of Saskatchewan Inc.
 - Praxair Canada Inc. - Industrial Gas Division
 - Praxair Canada Inc. - Packaged Gas Division
 - Precision Valve (Canada) Limited
 - QIT- Fer et titane Inc.
 - Rhodia Canada Inc.
 - Rogers Sugar Ltd.
 - Rothmans Benson & Hedges Inc.
 - Russel Metals Inc.
 - St. Marys Cement Inc.
 - Sandvik Materials Technology Canada
 - Sanofi Pasteur Limited
 - Saskatchewan Wheat Pool
 - Saskferco Products Inc.
 - Scotia Investments Ltd.
 - Scott Paper Limited
 - The Shaw Group Limited
 - Siemens Westinghouse Inc.
 - Skretting
 - Stelco Inc.
 - Stork Bronswerk Inc.
 - Syncrude Canada Ltd.
 - Teck Cominco Limited
 - Teekay Shipping (Canada) Ltd.
 - Tembec Inc.
 - TimberWest Forest Corp.
 - Timminco Limited
 - Tolko Industries Ltd.
 - Transcontinental Inc.
 - Tree Island Industries Ltd.
 - Ultramar Ltée
 - Umicore Canada Inc.
 - uniPHARM Wholesale Drugs Ltd.
 - VA TECH Ferranti-Packard Transformers Limited
 - Vanguard Plastics Ltd.
 - VisualSonics Inc.
 - Volvo Motor Graders Limited
 - W.E.T. Automotive Systems Ltd.
 - Wal-Mart Canada Inc.
 - West Fraser Timber Co. Ltd.
 - Western Oil Sands Inc.
 - Weyerhaeuser Company Ltd.
 - Winners Merchants International L.P.
 - Wrigley Canada
 - Wyeth Canada
 - Zellers

HayGroup

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121 King Street West
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Toronto, ON M5H 3X7
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www.haygroup.com/ca

January 18, 2007

Ms. Lisa Hutchens
VP Customer Relations &
Corporate Services
Newfoundland Power
55 Kenmount Road
St. John's, NL
A1B 3P6

Dear Lisa,

Re: Manager Compensation – 2007 Salary Policy

You have asked us to recommend salary policy levels in 2007 for the management group immediately below the executive level.

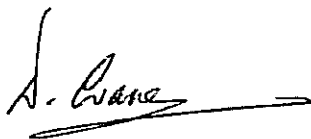
These recommendations are based upon actual compensation information in the Hay database accumulated from the Commercial Industrial market with an effective date of May 2006. The list of 255 companies is attached, up from 208 last year.

Our September survey of 388 industrial organizations suggests that salary range adjustments in 2007 will average 3.0%. 2006 salary policies have been increased by 3% and rounded up to the nearest \$100, illustrated in Table 1 on the following page.

Table 1 – Recommended 2007 Manager Compensation Policy

Position	Newfoundland Power	
	2006 Policy	2007 Policy
Regional Manager, Western	\$142,200	\$146,500
Regional Manager, Eastern	\$142,200	\$146,500
Manager Corp Comm & HR Services	\$135,000	\$139,100
Manager Information Services	\$124,700	\$128,500
Manager Engineering	\$124,700	\$128,500
Manager Customer Relations	\$124,700	\$128,500
Manager Finance	\$121,600	\$125,300
Manager Corporate Planning	\$119,500	\$123,100
Treasurer	\$119,500	\$123,100

Sincerely,



David Crane
National Practice Leader,
Executive Compensation

Commercial Industrials (N=255)

- A&W Food Services of Canada Inc.
- Abitibi Consolidated Inc.
- AgraPoint International, Inc.
- Agricore United
- Ainsworth Engineered Canada L. P.
- Air Products Canada Ltd.
- Aker Kvaerner Chemetics
- Alberta-Pacific Forest Industries Inc.
- Alcan Inc.
- Alcatel Canada Inc. - Transport Automation
- Algoma Steel Inc.
- AltaSteel Ltd.
- Aluminerie Alouette Inc.
- AMGEN Canada Inc.
- Arkema Canada Inc.
- Armtec Limited Partnership
- AstraZeneca Canada Inc.
- AT Plastics Inc.
- ATCO I-Tek
- Atlantic Minerals Limited
- Atlantic Packaging Products Ltd.
- Atotech Canada Ltd.
- Babcock & Wilcox Canada
- Barrick Gold Corporation
- Barry Callebaut Canada Inc.
- Basell Canada Inc.
- BAX Global (Canada) Ltd.
- Bayer Inc.
- Bekaert Canada
- Belden CDT (Canada) Inc.
- Bell Canada
- Bericap North America Inc.
- BHP Billiton Ekati Diamond Mines
- BHP Billiton World Exploration Inc.
- Biovail Corporation
- Blount Canada Ltd.
- BOC Canada Limited
- Boehringer Ingelheim (Canada) Ltd.
- Bruce Power
- Cambior Inc.
- Canadelle Inc.
- Canadian Forest Products Ltd.
- Canadian National Railway Company
- Canadian Pacific Railway
- Canexus Limited
- Canpotex Limited
- Cargill Limited
- Catalyst Paper Corporation
- Centerra Gold Inc.
- CHEP Canada
- Christie Digital Systems Inc.
- Ciba Specialty Chemicals Canada Inc.
- CKF Inc.
- CNH America, LLC.
- Coca-Cola Ltd.
- Coleman Management Services
- Co-op Atlantic
- Cooper Industries (Canada) Inc.
- Country Ribbon Inc.
- CYRO Canada Inc.
- Daishowa-Marubeni International Ltd.
- De Beers Canada Inc., Corporate Division
- De Beers Canada Inc., Exploration Division
- De Beers Canada Inc., Mining Division
- DENSO Manufacturing Canada, Inc.
- Dofasco Automotive Group
- Dofasco Inc.
- Dofasco Tubular Products Corporation
- Dow Chemical Canada Inc.
- Duke Energy Gas Transmission
- Dynacast Canada Inc.
- E.I. du Pont Canada Company
- Effem Inc.
- Emera Inc.
- Enbridge Gas Distribution Inc.
- ERCO Worldwide
- EWOS Canada Ltd.
- Falconbridge Limited
- FANUC AMERICA Corporation
- Finning (Canada)
- Finning International Inc.
- Fishery Products International Limited
- FundSERV Inc.
- Gates Canada Inc.

- General Kinetics Engineering Corporation
- Gerdau Ameristeel
- Goodrich Aerospace Canada Ltd.
- Goodyear Canada Incorporated
- Grand & Toy
- Grant Forest Products Inc.
- Griffith Laboratories Limited
- H.J. Heinz Company of Canada Ltd.
- Hanson Brick Limited
- Hanson Building Materials America
- Harvard Developments Inc.
- HDS Retail North America
- Hilti (Canada) Ltd.
- Hoffmann-La Roche Ltd.
- Home Hardware Stores Limited
- Hudson's Bay Company
- Hybrid Turkeys
- ICI Canada Inc.
- Inco Limited
- Ingersoll-Rand Canada Inc.
- InterContinental Hotels Group
- International Forest Products Limited
- Invacare Canada L.P.
- Inventure Solutions Inc.
- INVISTA (Canada) Company
- ITW Construction Products
- ITW Foils
- ITW Unipac
- J. H. Ryder Machinery Limited
- James Richardson International Limited
- John Deere Limited Canada
- Johnson Matthey Ltd.
- JTI-Macdonald Corp.
- K. I. Pembroke
- Kellogg Canada Inc.
- Kemira Chemicals Canada Inc.
- Kennametal Ltd.
- Kimberly-Clark Corporation
- Kinross Gold Corporation
- KPMG MSLP
- Kruger Inc.
- Kuehne + Nagel Ltd.
- La Compagnie minière Québec Cartier
- Labatt Breweries of Canada
- Lantic Sugar Limited
- LANXESS Inc.
- Lego Systems, Inc.
- Levi Strauss & Co. (Canada) Inc.
- Lilydale Inc.
- L'Oréal Canada Inc.
- Luscar Ltd.
- MacDonald, Dettwiler and Associates Ltd.
- Mainstream Canada Ltd.
- Manitoba Telecom Services Inc.
- Mattamy Homes Limited
- Maxim Power Corp.
- McCormick Canada Co.
- McElhanney Consulting Services Ltd.
- McElhanney Land Surveys Ltd.
- MDA
- Merck Frosst Canada & Co.
- Meridian Technologies Inc.
- Michelin North America (Canada) Inc.
- Minas Basin Pulp & Power Co. Ltd.
- MIP Inc.
- Mitsubishi Canada Limited
- Mittal Canada Inc.
- Montship Inc.
- Mustang Survival Corp.
- Neenah Paper, Inc. - Pictou Mill
- Neo Material Technologies Inc.
- Neopost Canada
- Nestlé Canada Inc.
- Newmont Mining Corporation of Canada Limited
- NorTerra Inc.
- North American Palladium Ltd.
- NOVA Chemicals Corporation
- Nova Scotia Power Inc.
- Novartis Pharma Canada Inc.
- Nunavut Investment Group Inc.
- Oakrun Farm Bakery Ltd.
- Optimira Energy, Ltd.
- Organon Canada
- Osler, Hoskin & Harcourt, LLP
- Overwaita Food Group
- P & H MinePro Services
- Pan American Silver Corporation

- Patheon Inc.
- Penske Truck Leasing
- Pepsi-QTG Canada Inc.
- Petro-Canada
- PolyCello
- Potash Corporation of Saskatchewan Inc.
- PPG Canada Inc.
- PPG Canada Inc. - Automotive Glass Division
- PPG Canada Inc. - Fine Chemicals Division
- PPG Canada Inc. - Flat Glass Division
- PPG Canada Inc. - Industrial Coatings Division
- Praxair Canada Inc. - Industrial Gas Division
- Praxair Canada Inc. - Packaged Gas Division
- Purolator Courier Ltd.
- QIT-Fer et Titane Inc.
- Qualico Homes
- Quinn Contracting Ltd.
- Rhodia Canada Inc.
- Robeez Footwear Ltd.
- Roche Diagnostics Canada
- Rogers Sugar Ltd.
- Rohm and Haas Canada Inc.
- Russel Metals Inc.
- Saint-Gobain Abrasives Canada Inc.
- Sandvik Materials Technology Canada
- sanofi pasteur
- sanofi-aventis
- Saskatchewan Wheat Pool
- Saskferco Products Inc.
- Schneider Electric
- Scotia Investments Ltd.
- Scotsburn Co-operative Services Limited
- Scott Paper Limited
- Shred-it Canada Corporation
- Siemens Canada Limited
- Siemens Power Generation, A Division of Siemens Canada Ltd.
- Skretting
- Société en Commandite Tafisa Canada Inc.
- Société PCI Chimie Canada
- St Marys Cement Inc.
- Stelco Inc.
- Stork Bronswerk Inc.
- Sutherland-Schultz Inc.
- Syncrude Canada Ltd.
- Tait Electronics Ltd.
- Tate & Lyle Canada Ltd.
- Teck Cominco - Highland Valley Copper
- Teck Cominco Limited
- Teekay Shipping (Canada) Ltd.
- Teknion Corporation
- TELUS Communication Company
- Telvent Canada Ltd
- Tembec Inc.
- Terasen Gas
- The Bay
- The Beer Store
- The Loyalty Group
- The McElhanney Group Ltd.
- The Mosaic Company
- Thrifty Foods Inc.
- TimberWest Forest Corp.
- Tolko Industries Ltd.
- Toromont CAT, A Division of Toromont Industries Ltd.
- TransAlta Corporation
- TransCanada Corporation
- Transwest Mining Systems
- Tree Island Industries Ltd.
- TSi Auto Solutions
- Ultramar Ltée
- Union Gas Ltd.
- uniPHARM Wholesale Drugs Ltd.
- Vanguard Plastics Ltd.
- Vetco Gray Canada Inc.
- Voith Fabrics Canada Inc.
- W.E.T. Automotive Systems Ltd.
- Wal-Mart Canada Inc.
- West Fraser Timber Co. Ltd.
- Western Oil Sands Inc.
- Weyerhaeuser Company Ltd.
- Winners Merchants International L.P.
- Wyeth Pharmaceuticals
- Yves Rocher
- Zellers
- Zellstoff Celgar Partnership Limited

Hay Group Limited

Standard Life Centre
Suite 700
121 King Street West
Toronto, Ontario M5H 3X7
Canada

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JAN 12 2006

HayGroup

January 10, 2006

Ms. Lisa Hutchens
VP Customer Relations &
Corporate Services
Newfoundland Power
55 Kenmount Road
St. John's, NL A1B 3P6

Dear Lisa,

Re: Manager Compensation – 2006 Salary Policy

You have asked us to recommend salary policy levels in 2006 for the management group immediately below the executive level.

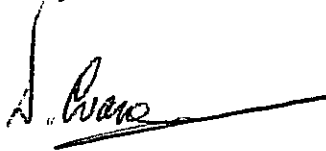
These recommendations are based upon actual compensation information in the Hay database accumulated from the Commercial Industrial market with an effective data of May 2005. The list of 208 companies is attached, up from 194 last year.

Our September survey of over 400 industrial organizations suggests that salary adjustments in 2006 will average 3%. 2005 market data has been incremented by 3% and rounded up to the nearest \$100, illustrated in Table 1 on the following page.

Table 1 – Recommended 2006 Manager Compensation Policy

Position	Newfoundland Power	
	2005 Policy	2006 Policy
Regional Mgr., Western	\$138,000	\$142,200
Regional Mgr., Eastern	\$138,000	\$142,200
Corp. Comm. & HR Mgr.	\$131,000	\$135,000
Info. Sys. Mgr.	\$121,000	\$124,700
Ops. Mgr.	\$121,000	\$124,700
Engin. & Energy Supp. Mgr.	\$121,000	\$124,700
Cust. Srv. Mgr.	\$121,000	\$124,700
Fin. Mgr.	\$118,000	\$121,600
Manager, Corporate Planning	\$116,000	\$119,500
Treasurer	\$116,000	\$119,500

Sincerely,



David Crane
National Practice Leader,
Executive Compensation

Industrial Companies

- A&W Food Services of Canada Inc.
- ACCO Canada Inc.
- AMGEN Canada Inc.
- AMR Technologies Inc.
- AT Plastics Inc.
- Accenture Business Services for Utilities
- Aecon Group Inc.
- AgraPoint International, Inc.
- Aker Kvaerner Chemetics
- Alberta Pacific Forest Industries Inc.
- Alcan Inc.
- Alcatel Canada Inc. - Transport Automation
- Algoma Steel Inc.
- Allergan Canada Inc.
- AltaSteel Ltd.
- Andrés Wines Ltd.
- Arkema Canada Inc.
- AstraZeneca Canada Inc.
- Atlantic Minerals Limited
- Atlantic Packaging Products Ltd.
- Atotech Canada Ltd.
- BASF Canada Inc.
- BHP Billiton Ekati Diamond Mines
- BOC Canada Limited
- BPB Canada Inc.
- BTI Canada
- Barrick Gold Corporation
- The Bay
- Bayer Inc.
- Becton Dickinson Canada Inc.
- The Beer Store
- Bericap North America Inc.
- Blount Canada Ltd.
- Boehringer Ingelheim (Canada) Ltd.
- CKF Inc.
- CSG Security Inc.
- Cadbury Schweppes
- Cadbury Trebor Allan Inc.
- Cambior Inc.
- Canadelle Inc.
- Canadian Autoparts Toyota Inc.
- Canadian Forest Products Ltd.
- Canadian National Railway Company
- Canadian Pacific Railway
- Canpotex Limited
- Cargill Limited
- Cascade Aerospace
- Celgar Pulp Company
- Centerra Gold Inc.
- Christie Digital Systems Inc.
- Co-op Atlantic
- Coca-Cola Bottling Company
- Coca-Cola Ltd.
- Cooper Industries (Canada) Inc.
- Copperweld Automotive Group Canadian Operations
- Copperweld Tubular Products Brampton
- Cott Corporation
- Country Ribbon Inc.
- Daishowa-Marubeni International Ltd.
- Danone Canada Inc.
- De Beers Canada Inc., Corporate Division
- De Beers Canada Inc., Exploration Division
- Deeley Harley-Davidson Canada
- Denso Manufacturing Canada Inc.
- Dofasco Inc.
- Domtar Inc.
- ERCO Worldwide
- E.I. du Pont Company Canada
- Emera Inc.
- Enbridge Gas Distribution Inc.
- Enbridge Inc.
- Enbridge International Inc.
- Enbridge Pipelines Inc.
- Energizer Canada Inc.
- Falconbridge Limited
- Faurecia Automotive Seating Canada Ltd.
- Finning (Canada)
- Finning International Inc.
- Fishery Products International Limited
- Frito Lay Canada
- FundSERV Inc.
- GSW Inc.
- Gates Canada Inc.
- Gay Lea Foods Cooperative Limited
- General Kinetics Engineering Corporation
- General Mills Canada Corporation
- Gerdau Ameristeel
- Givaudan Canada Co.
- Goodyear Canada Incorporated
- Grand & Toy
- Greening Donald Company Ltd.
- Griffith Laboratories Ltd.
- HDS Retail North America
- H.J. Heinz Company of Canada Ltd.
- Hanson Building Materials America
- Harvard Developments Inc.
- Hiram Walker & Sons Ltd.
- Hoffmann-La Roche Ltd.
- Home Hardware Stores Limited
- Hudson's Bay Company
- Humber Valley Resort
- INVISTA (Canada) Company
- ITW Foils
- Inco Limited
- Ingersoll-Rand Canada Inc.

- International Forest Products Limited
- Iovate Health Sciences Services Inc.
- JTI-Macdonald Corp.
- James Richardson International Limited
- John Deere Limited Canada
- KPMG MSLP
- Keilhauer
- Kellogg Canada Inc.
- Kimberly-Clark Inc.
- Kinross Gold Corporation
- Kraft Canada Inc.
- Kuehne & Nagel International Ltd.
- LANXESS Inc.
- Labatt Breweries of Canada
- Lantic Sugar Limited
- Lego Systems, Inc.
- Levi Strauss & Co. (Canada) Inc.
- Lilydale Foods
- Loewen
- Luscar Ltd.
- MDA
- The MIBRO Group
- Major Drilling Group International Inc.
- Manitoba Telecom Services Inc.
- Mattamy Homes Limited
- McCormick Canada Co.
- McElhanney Consulting Services Ltd.
- The McElhanney Group Ltd.
- McElhanney Land Surveys Ltd.
- Meridian Technologies Inc.
- Millar Western Forest Products Ltd.
- Mitsubishi Canada Limited
- Mosaic
- NOVA Chemicals Corporation
- Neenah Paper, Inc. - Pictou Mill
- Neenah Paper, Inc. - Terrace Bay Mill
- Nestlé Canada Inc.
- Nexen Chemicals
- NexInnovations Inc.
- NorskeCanada
- NorTerra Inc.
- Nova Scotia Power Inc.
- Nunavut Investment Group Inc.
- OSRAM Sylvania Limited
- Oakrun Farm Bakery Ltd.
- Osler, Hoskin & Harcourt, LLP
- Overwaitea Food Group
- PPG Canada Inc.
- PPG Canada Inc. - Fine Chemicals Division
- PPG Canada Inc. - Flat Glass Division
- PPG Canada Inc. - Industrial Coatings Division
- Patheon Inc.
- Pepsi-QTG Canada Inc.
- Petro-Canada
- Pirelli Power Cables and Systems Canada Ltd.
- Placer Dome North America
- PolyCello
- Potash Corporation of Saskatchewan Inc.
- Praxair Canada Inc. - Industrial Gas Division
- Praxair Canada Inc. - Packaged Gas Division
- Precision Valve (Canada) Limited
- QIT- Fer et titane Inc.
- Rhodia Canada Inc.
- Rogers Sugar Ltd.
- Rothmans Benson & Hedges Inc.
- Russel Metals Inc.
- St. Marys Cement Inc.
- Sandvik Materials Technology Canada
- Sanofi Pasteur Limited
- Saskatchewan Wheat Pool
- Saskferco Products Inc.
- Scotia Investments Ltd.
- Scott Paper Limited
- The Shaw Group Limited
- Siemens Westinghouse Inc.
- Skretting
- Stelco Inc.
- Stork Bronswerk Inc.
- Syncrude Canada Ltd.
- Teck Cominco Limited
- Teekay Shipping (Canada) Ltd.
- Tembec Inc.
- TimberWest Forest Corp.
- Timminco Limited
- Tolko Industries Ltd.
- Transcontinental Inc.
- Tree Island Industries Ltd.
- Ultramar Ltée
- Umicore Canada Inc.
- uniPHARM Wholesale Drugs Ltd.
- VA TECH Ferranti-Packard Transformers Limited
- Vanguard Plastics Ltd.
- VisualSonics Inc.
- Volvo Motor Graders Limited
- W.E.T. Automotive Systems Ltd.
- Wal-Mart Canada Inc.
- West Fraser Timber Co. Ltd.
- Western Oil Sands Inc.
- Weyerhaeuser Company Ltd.
- Winners Merchants International L.P.
- Wrigley Canada
- Wyeth Canada
- Zellers

Individual Targets

**2006 Performance Targets
President & CEO (25%)**

Category	Target	%	Payout	
				100%
General & Regulatory Leadership	Provide general business and regulatory leadership and oversight to improve corporate performance.	35	Subjective with minimum earnings of \$29.1m	
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and top talent.	15	Subjective	
Reliability & Safety	Enhance reliability to customers and build employee and public confidence in areas of safety (with consideration of SAIDI and the all injury/illness frequency rate).	25	Subjective	
Government Relations	Ensure relationships with municipal and provincial government, communities and major customers are fostered and maintained.	25	Subjective	

2006 Performance Targets

VP - Regulatory Affairs & General Counsel (40%)

Category	Target	%	Payout	
				100%
Regulatory	Successfully manage general rate application.	60		Subjective
Employee Development	Successfully develop a regulatory team that effectively plans and executes general rate application.	20		Subjective
Corporate Governance	Provide guidance with respect to sound corporate governance practice.	20		Subjective

**2006 Performance Targets
VP – Engineering & Operations (40%)**

Category	Target	%	Payout	
				100%
Productivity/Operating Efficiency	Improve productivity and operating efficiency within Operations and Engineering.	20	Subjective with divisional operating costs as plan	
Operations	Lead contribution of Operations and Engineering Division in general rate application.	30	Subjective	
Reliability	Enhance reliability to customers (with consideration of SAIDI).	20	Subjective with SAIDI of 3.98 (excl Hydro)	
Safety/Environment	Provide leadership in enhancing safety and ensuring the application of environmentally responsible work practices (with consideration of the all injury/illness frequency rate).	20	Subjective	
Demand Management	Ensure effective implementation of plans to manage peak demand.	10	Subjective	

2006 Performance Targets

VP – Finance (40%)

Category	Target	%	Payout
			100%
Financial Management	Provide leadership in financial management.	30	Subjective with minimum earnings of \$29.1m
Regulatory	Lead contribution of Finance Division in general rate application.	30	Subjective
Business Leadership	Promote and champion business principles throughout the organization.	20	Subjective
Risk Management	Develop and maintain an appropriate risk management strategy for the Company.	20	Subjective

2006 Performance Targets

VP – Customer Relations & Corporate Services (40%)

Category	Target	%	Payout
Customer Service	Provide leadership in eliminating interdepartmental barriers to customer service (with consideration of customer service targets).	40	Subjective with customer satisfaction of 87%
Productivity/Customer Service	Successfully introduce a focus on first-call resolution.	20	Subjective with divisional operating costs * as plan
People Leadership	Promote and foster employee success culture within the Company with particular focus on development of future leaders, top talent and coaching.	20	Subjective
Operational Leadership	Provide executive operational leadership.	20	Subjective

* Excludes uncollectible bills.

2007 Performance Targets

President & CEO (25%)

Category	Target	%	Payout	
				100%
Financial Results	Provide leadership and oversight to deliver appropriate corporate results.	35	Subjective with minimum earnings of \$28.6m	
Reliability & Safety	Enhance service to customers and build employee and public confidence in areas of safety (with consideration of SAIFI, SAIDI, Customer satisfaction and the all injury/illness frequency rate).	25	Subjective	
Stakeholder Relations	Ensure relationships with municipal and provincial government, communities and major customers are fostered and maintained.	25	Subjective	
People Leadership	Promote and foster an employee success culture within the Company with particular focus on development of future leaders and top talent.	15	Subjective	

2007 Performance Targets

VP - Regulatory Affairs & General Counsel (40%)

Category	Target	%	Payout
Regulatory	Develop corporate wide regulatory strategy. Successfully manage general rate application.	60	Subjective
Employee Development	Develop a team that effectively plans and executes regulatory proceedings and applications.	20	Subjective
Corporate Governance	Provide guidance with respect to sound corporate governance practice.	20	Subjective

**2007 Performance Targets
VP – Engineering & Operations (40%)**

Category	Target	%	Payout
			100%
Operations	Lead contribution of Operations and Engineering Division in general rate application.	30	Subjective
Productivity/Operating Efficiency	Manage productivity and operating efficiency within Operations and Engineering.	20	Subjective with corporate operating costs as plan
Reliability	Enhance reliability to customers (excluding Hydro caused outages).	20	SAIFI of 2.63
Safety	Provide leadership in enhancing safety.	20	All injury/illness frequency rate of 1.9
Capital Budget Execution	Ensure effective (on time/on budget) execution of Rattling Brook project.	10	Subjective

2007 Performance Targets
Customer Relations & Corporate Services (40%)

Category	Target	%	Payout
Customer Service	Provide leadership in improving quality of customer service (with consideration of customer service target results).	35	Subjective with customer satisfaction of 89%
Productivity	Provide leadership in reducing corporate operating costs.	12.5	Subjective with corporate operating costs as plan
	Provide leadership in improving first call resolution.	12.5	First call resolution of 87%
Energy Efficiency	Provide leadership in design, delivery and development of energy efficiency initiatives for customers.	20	Subjective
People Leadership	Promote and foster employee success culture within the Company with particular focus on front-line coaching and leadership and development of future leaders & top talent.	20	Subjective

2007 Performance Targets
VP – Finance & Chief Financial Officer (40%)

Category	Target	%	Payout
			100%
Financial Results	Provide leadership in financial management to deliver appropriate corporate results.	40	Subjective with minimum earnings of \$28.6m
Regulatory	Lead financial aspects of general rate application.	30	Subjective
Business Leadership	Promote and champion business principles throughout the organization.	15	Subjective
Risk Management	Develop and maintain an appropriate risk management strategy for the Company.	15	Subjective

2006 Managers' Individual Targets (All Subjective) (50%)

Information Systems	Leadership in response to demand/energy rate and management of peak to minimum	Identify and leverage technologies to enhance customer service & productivity	Capital and operating cost management	
	40%	30%	30%	
Customer Service	Leadership in corporate customer service delivery with customer satisfaction rating target of 87%	Energy efficiency program design and delivery	Operating efficiency in customer service	First call resolution
	40%	20%	20%	20%
Finance	Operational financial leadership with controllable operating costs of \$209.8 per customer	Increase understanding of business operations	Long term pension accounting assessment	Management of corporate financial performance
	40%	20%	20%	20%
Engineering	Development of a long term strategic plan for substations life extension and telecommunications assets for 2007 capital budget submission	Safety Leadership including participation in safety related activities, furthering entrenchment of safety culture	Execution of peak demand reduction activities, including voltage management, related capital projects and company usage on peak	Capital and operating cost management
	30%	20%	30%	20%
Corporate Planning	Corporate planning and strategy leadership	Enhance communication with senior management team on regulatory matters	OFEB proposal development	
	40%	30%	30%	
Corporate Communications and HR Services	Leadership in corporate employee development, with significant development opportunities for top talent, and increased coaching throughout the company	Management of regulatory communications	Development, maintenance and enhancement of government and community relations	Health care/benefit cost development and execution
	30%	20%	25%	25%

2006 Managers' Individual Targets (All Subjective) (50%)

Treasurer	Corporate financial and regulatory leadership	Corporate Accounting Policy Oversight	Execution of depreciation study and related succession management	
	40%	30%	30%	
Eastern Region	Leadership in corporate safety performance with all injury frequency rate of 1.6 and execution of safety action plan	Development of 3 rd party revenue opportunities	Capital program and operating cost management	
	40%	30%	30%	
Western Region	Leadership in long term corporate reliability management with SAIDI of 3.98 and SAIFI of 2.89	Safety leadership including participation in safety related activities, furthering entrenchment of safety culture	Capital program and operating cost management	
	40%	30%	30%	

Managers' Individual Targets for 2007 (Valued at 50%) (All Subjective)

Information Systems	Leadership in identifying and leveraging technologies to enhance corporate productivity and customer service	Capital and operating cost management (excluding postage)	Support customer service and operations to enhance first call resolution and customer satisfaction levels	Active support of implementation of Distribution assets in Avantis	
	30%	20%	25%	25%	
Customer Service	Leadership in corporate customer service improvement with first call resolution rate of 87%	Improve corporate wide customer service with consideration of customer satisfaction rating	Design, develop and deliver energy efficiency initiatives for customers	Safety leadership within customer relations department	Operating cost management
	30%	20%	20%	10%	20%
Engineering	Develop strategic plan for telecommunication assets to guide capital expenditures. 20%	Leadership in safety management and implementation of OHSAS 18001 safety management system.	Capital program execution and operating cost management.	Leadership in System Control Centre productivity improvements &, customer service, peak load management and electrical system efficiency improvements.	
	20%	20%	40%	20%	
Corporate Planning	Leadership in development and management of financial aspects of rate hearing and other regulatory activities	Corporate regulatory planning and financial leadership	Enhance communication with finance department and senior management on regulatory matters		
	40%	30%	30%		
Corporate Communications and HR Services	Leadership in corporate employee development, with focus on front line leadership and coaching and top talent development	Leadership in implementation of OHSAS 18001 Safety standard	Support rate hearing strategy as it relates to communications, government and community relations	Implementation of performance management changes and benefits strategy	
	30%	20%	30%	20%	

Manager of Finance (Treasurer)	Operational financial leadership with management of controllable operating cost per customer	Enhance capability of corporate finance department	Enhancement of treasury management function, including improvements in cash management and execution of bond issue	Corporate accounting policy oversight including IFRS, GEC and Capitalization Policies	
	30%	20%	30%	20%	
Eastern Region	Leadership in safety management and implementation of OHSAS 18001 safety management system.	Active support of Distribution Asset Management System (Avantis)	Integration of work and development of revenue from 3 rd party transfers.	Enhance customer service with focus on first call resolution	Capital and Operating cost management.
	30%	20%	20%	10%	20%
Western Region	Leadership in long-term corporate reliability management with consideration of SAIFI	Capital program management including execution of Rattling Brook project and leadership of Distribution Asset Management System (Avantis).	Leadership in safety management and implementation of OHSAS 18001 safety management system.	Enhance customer service with focus on first call resolution	Operating cost management
	30%	20%	20%	10%	20%