

- 1 **Q. Korn Ferry Report, page 3. What comparator groups for executive compensation,**
2 **other than the Canadian Commercial Industrial Market could be appropriate, in**
3 **Korn Ferry’s opinion, to use to evaluate Newfoundland Power’s executive**
4 **compensation?**
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- 6 A. It would also be appropriate to include Canadian electrical utility sector organizations
7 that share a similar operating and regulatory environment for evaluating Newfoundland
8 Power’s executive compensation. However, due to the different ownership structures and
9 business models, compensation comparability could be a challenge. Ideally, private
10 sector electrical utility organizations would be appropriate if the number of organizations
11 is sufficient and stable. However, Korn Ferry’s database does not have enough
12 comparable utility organizations from the private sector to conduct a full analysis.