

1 Q. **2017 General Rate Application - Operations**

2 Page 3.36, lines 4-12 – Does Hydro continue to have a short term incentive plan for  
3 non-union staff and are any amounts included in the 2018 TY or 2019 TY revenue  
4 requirements related to such payments?

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7 A. Yes, Hydro continues to have a short term incentive plan for Executive and Senior  
8 Leadership. The amount included in the revenue requirement during 2018 Test  
9 Year is \$829,852 and 2019 Test Year is \$856,029.

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11 The redesign of these short term incentive plans addresses the concerns presented  
12 by the Board in P.U. 49 (2016).<sup>1</sup> Hydro has redesigned its short term incentive plan  
13 to ensure clear and demonstrable benefit to the customers and it is focused only on  
14 Hydro measures of performance related to the areas of: safety; reliability;  
15 financial/cost management; integration of Muskrat Falls assets; and regulatory.  
16 Hydro has included 100% of its forecast performance contract payments in its  
17 revenue requirement.

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<sup>1</sup> Board Order No. P.U. 49(2016), page 46, lines 7-12.