

Undertaking 11

The Vice-President, Newfoundland and Labrador Hydro received a \$39,394 performance incentive payment in 2015 based on 2014 performance. The Vice-President, System Operations and Planning received a \$35,935 performance incentive payment in 2015 based on 2014 performance. There are no amounts included in the 2014 and 2015 Test Year revenue requirement for performance based incentives for Nalcor Energy (non-Hydro) executives. While the current intercompany guidelines specify that performance incentives are to be included in the determination of bill rates, these amounts had not been included when the bill rate proxy of 1.57 was determined in 2009. The guidelines were subsequently updated in 2011 to include performance based incentives and payroll taxes. The proxy of 1.57 was used in the calculation of the intercompany charges in the 2014 and 2015 Test Years.