2014 PERFORMANCE CONTRACT -	CEO REPORT	5									Undertaking - 2	(b) 20
Line of Business/Division:		NL Hvdro			CEO CL						Filed: N. at . 14. 2015	Board Se
Department/Region:		Regulated Operations			CEO Signature:						1110d, \(\frac{\partial}{24\partial}\) = 13	
Position:		Vice President			Incumbent Signature:							
Incumbent:		Rob Henderson			incumpent signature:							
Salary:		\$216,300.00			Date:						<u> </u>	
PART A - Corporate KPI's:	30%											•
Performance Indicator	Weight	Threshold			Target	i i		Opportunity				
		Performance Level	Salary Weighted Score	Payment	Performance Level	Salary Weighted Score	Payment	Performance Level	Salary Weighted Score	Payment	Comments	Amount
Goal 1: Safety	20.00%		15.00%			20.00%			25.00%			
Lead/Lag ratio		>= 650:1	0,900%		>= 600:1	1,200%		>= 750:1	1.500%	\$3,244.50		\$9,244.50
Goal 2: Environment	15,00%											
Environmental Leadership Targets		>= 92% of environmental leadership targets completed	0.67500%		>≂ 95% of evironmental leadership targets completed	0.900%		>= 97% of environmental leadership targets completed	1.12500%	\$2,433.38		\$2,433.38
Goal 3: Business Excellence												+
Financial Performance	20.00%	Net income >≈ \$92.4 million	0.900%		Net income >= \$108.4 milion	1.200%	\$2,595.60	Net income >= \$124.8 million	1.500%			\$2,595.60
Project Execution	10.00%	CompleteThreshold portion of 2014 phase of project execution excellence implementation plan.	0.4500%		Complete 2014 phase of project execution excellence implementation plan	0.600%	\$1,297.80	Complete opportunity activites in 2014 phase of project execution excellence implementation plan	0,7500%			\$1,297.80
Asset Management	10.00%	Complete 2014 threshold planned activities of asset management plan	0.4500%		Complete 2014 phase of asset management plan	0.600%	\$1,297.80	Target + 2014 opportunity activities in asset management plan.	0.7500%			\$1,297.80
Oil & Gas Exploration Strategy	12.50%	Complete 80% of planned 2014 activities in exploration strategy	0.862500%		Complete 2014 planned activities in explorations strategy	0.7500%		Target + comptete 20% of planned 2015 activities.	0.937500%	\$2,027.81		\$2,027.81
Lower Churchill Project	12.50%	WRF/EIL (Phase 1) Complete 90% of planned 2014 scope within approved cost and schedule Project forecast final cost and schedule on track	0.562500%		MRF/LL (Plase 1) Complete planned 2014 scope within approved cost and schedule Project forecast final cost and schedule on track	0.7500%	\$1,622.25	Complete planned 2014 scope within approved cost and by November 30, 2014. Project forecast final cost and schedule on track	0.937500%			\$1,622.25
Total Part A:	100.00%		4.50%	\$0.00		6.00%	\$6,813.45		7,50%	\$7,705.69	Total Part A:	\$14,519.14

2014 PERFORMANCE CONTRACT -	CEO REPORT	5										
Line of Business/Division:		NL Hydro			CFO SI							
Department/Region:		Regulated Operations		-	CEO Signature:							
Position:		Vice President			Incumbent Signature;							
Incumbent:		Rob Henderson			incumpent signature;							
PART B - Divisional/Department	al Targets:	70%	-									
	-											
Performance Indicator		Threshold	• • • • • • • • • • • • • • • • • • • •		Target			Opportunity				
		Performance Level	Salary	Payment	Performance Level	Salary	Payment	Performance Level	Şalary	Payment		<u> </u>
			Weighted			Weighted	,		Weighted		i	
			Score			Score			Score		Comments	Amount
Safety			15.00%		· · · · · · · · · · · · · · · · · · ·	20.00%			25.00%			1,11111111
											· · · · · · · · · · · · · · · · · · ·	
Reg Ops of Hydro and Non Reg (Exploits/Menihek)	14.29%	AJF<=1.10	1.500%		AIF <= 0.80	2.000%		Alf-c≐,75	2.500%	\$5,407.50		\$5,407.5
FELT Leadership	14,29%	N/A	1.500%		360 FELT Leadership score >= 8,0	2.000%		360 FELT Leadership score >≈ 11.0	2.500%	\$5,407.50		\$5,407.5
Primary Goal(s)				<u> </u>								
GRA Leadership	7.14%	Threshold: as per Hydro Pfan	0.750%	\$1,622.25	Target as Per Hydro Plan	1.000%		Opportunity as per Hydro Plan	1,250%			\$1,622.2
Reliability (Forced Outages) DPUI (MW-Min)<≔	7.14%	17,600 MW-min	0.750%		16,000 MW-min	1.000%	:	14,000 MW-min	1.250%			\$0.00
Maintain Generation Contingency Reserve Requirements	7.14%	99.30%	0.750%		99.50%	1,000%		99.80%	1.250%			\$0.00
Financial Perf. Hydro O&M Budget (excl. EFB)	7.14%	<= 101% of Budget	0.750%		<=100% of Budget	1.000%		<= 98.5% of Budget	1.250%			\$0.0
Operation and Maintenance Pien for Winter Readiness	7.14%	Generations Facilities, Transformers, Breakers and 230 kV Transmission Line Planned Gutages Completed by December 1 and 90% of planned Critical Maintenance Completed on Major Assets	0.750%		Generations Facilities, Transformers, Breakers and 230 kV Transmission Line Planned Outages Completed by December 1 and 95% of planned Critical Maintenance Completed on Major Assets	1.000%	\$2,153.00	Generations Facilities, Transformers, Breakers and 230 kV Transmission Une Planned Outages Completed by December 1 and 100% of planned Critical Maintenance Completed on Major Assets	1.250%		CEO Judgement required: 230 kV line TL232 completed on December 2. 230 kV line TL203 outages during December, (non-critical used opportunity) New breaker in Holyrood on unit 2 not in service until December 7. OPD new transformer not in service until December 13. 100% of critical maintenance done by year end.	\$2,163.01
Capital Budget Project Completions	7.14%	88%	0.750%	\$1,622.25	90%	1.000%		100%	1.250%			\$1,622.2
Muskrat Operations Readiness	7.14%	Operations Readiness Organization plan established with lead position recruitment initiated	0.750%		Operations Readiness Organization plan established with lead positions in place	1.000%	\$2,163.00	Operations Readiness Organization plan established, lead positions in place and draft operational readiness plan prepared.	1.250%			\$2,163.0
Complete Line of Business Asset Management Intiatives	7.14%	All Threshold Activities in Flydro Plan	0.750%		All Target Activities in Hydro Plan	1,000%	\$2,163.00	All Opportunity Activities in Hydro Plan	1.250%			\$2,163.0
Secondary Goals					and the control of th					 	-	
Environmental Management System Targets Completed	7.14%	92%	0.750%		95%	1.000%	\$2,163,00	100%	1.250%			\$2,163.0
All Other Hydro Corporate Plan Intiatives Completion	7.14%	75% or more of the LOB's annual plan initiatives have been completed	0.750%		90% or more of the LOB's annual plan Initiatives have been completed.	1.000%	\$2,163,00	100% or more of the LOB's annual plan initiatives have been completed	1.250%			\$2,163,6
Total Part B:	100.00%		10.50%	\$3,244.50		14.00%	\$10,815.00		17.50%	\$10,815.00	Total Part B:	\$24,874.5
Totel Part A:	100.00%										Total Part A:	\$14,519.1
Notes:	. <u> </u>						e Presidani Hydro (F				Contract Total:	\$39,393.6 18,215