NLH 2013 Amended General Rate Application
Undertaking - 5 (b)
Filed: Sept. 14, 2013 Board Secretary: Assure

| 2015 Performance Contracts (based on 2014 Performance) <sup>1</sup> Asset Management Indicators <sup>2</sup> |                 |                   |                 |       |
|--|-----------------|-------------------|-----------------|-------|
|  |                 |                   |                 |       |
| Target<br>Percent  | Percent<br>Paid | Target<br>Percent | Percent<br>Paid |       |
| Chief Operating Officer (NL Hydro)   | 0.45%           | 0.45%             | 3.30%           | 3.30% |
| Divisional Controller Electric Utilities   | 0.45%           | 0.45%             | N/A             | N/A   |
| General Manager, Finance (NL Hydro)  | 0.45%           | 0.45%             | N/A             | N/A   |
| General Manager, Gas Turbines & Diesels  | 0.45%           | 0.45%             | 5.25%           | 3.75% |
| General Manager, TRO   | 0.45%           | 0.45%             | 1.80%           | 1.80% |
| Manager, Building the Production Organization  | 0.45%           | 0.45%             | 1.80%           | 1.80% |
| Manager, Financial Control Processes & Risk  | 0.30%           | 0.30%             | N/A             | N/A   |
| Manager, Generation & Rural Planning   | 0.30%           | 0.30%             | N/A             | N/A   |
| Manager, Hydro Generation  | 0.30%           | 0.30%             | 1.90%           | 1.90% |
| Manager, Project Execution (Regulated)   | 0.30%           | 0.30%             | 0.70%           | 0.70% |
| Manager, Rates & Regulation  | 0.45%           | 0.45%             | N/A             | N/A   |
| Manager, Regulatory Engineering  | 0.30%           | 0.30%             | N/A             | N/A   |
| Manager, Supply Chain Management & Administration  | 0.30%           | 0.30%             | N/A             | N/A   |
| Manager, System Operation & Integration Support  | 0.45%           | 0.45%             | N/A             | N/A   |
| Manager, Systems Integration   | 0.45%           | 0.45%             | N/A             | N/A   |
| Manager, TRO Central <sup>3</sup>  | 0.30%           | 0.30%             | 2.00%           | 2.40% |
| Manager, TRO Central (Former) <sup>3</sup>   | 0.45%           | 0.45%             | 3.00%           | 3.40% |
| Manager, TRO Labrador  | 0.30%           | 0.30%             | 1.90%           | 2.25% |
| Senior Legal Counsel   | 0.30%           | 0.30%             | N/A             | N/A   |
| Systems Operations Engineering Manager   | 0.30%           | 0.30%             | N/A             | N/A   |
| VP, Newfoundland & Labrador Hydro  | 0.60%           | 0.60%             | 4.00%           | 2.75% |
| VP, Systems Operations & Planning  | 0.60%           | 0.60%             | N/A             | N/A   |

<sup>&</sup>lt;sup>1</sup> Payments in 2015 are based on 2014 performance.

<sup>&</sup>lt;sup>2</sup> Asset Management is measured in both the corporate and divisional portions of performance contracts. These aspects are noted in Part A and Part B respectively.

<sup>&</sup>lt;sup>3</sup> Manager, TRO Central position was reclassified in 2014 resulting in target percentage change from 15% to 10%.