

Q. In reference to the evidence of Earl Ludlow, page 50, line 13, please provide the total number of managers from 1996 to current and please provide, year over year, the total compensation package for managers collectively for each of these years, and any bonuses/ incentives provided, including the amounts and dates of the bonuses/incentives.

A. Table 1 below provides the number of Managers, and shows the total earned by Managers for the period 1996 to 2004F, in terms of salary and short-term incentive (STI) compensation.

Table 1 Managers' Salary & STI					
Year	Number of Managers ¹	Salaries² (\$000s)	STI ³ (\$000s)	Total Compensation (\$000s)	Percentage Increase (Decrease)
1996	19	1,567	213	1,780	
1997	22	1,242	152	1,394	(21.7)
1998	14	1,261	144	1,405	0.8
1999	15	1,466	213	1,679	19.5
2000	15	1,562	275	1,837	9.4
2001 ⁴	12	1,233	291	1,524	(17.0)
2002F	11	1,304	272	1,576	3.4
2003F	10	1,259	202	1,461	(7.3)
2004F	10	1,297	208	1,505	3.0
Average annual decrease: 1996 through 2004F					(1.9)

¹ Changes in the number of managers in each year principally reflects retirements, departures, appointments and promotions.

² Does not include sums paid upon retirement.

³ Manager STI payouts can range depending on performance relative to targets. Forecast STI payout for 2002 was forecast at the time of filing this proceeding in October 2002.

⁴ Beginning in 2001 the Corporate Counsel and Secretary position became an executive level position. For comparison purposes this position has been included in the manager's compensation table for the entire period.

STI compensation is typically paid in the year following the year to which it is attributable. Since 1999, STI compensation has been paid in two instalments. The first is an advance payment of 40 per cent of the total estimated payout for each Manager, based on the forecast achievement of individual and corporate targets. This payment is typically made in January, but managers have the option of requesting an earlier payment in December. The final instalment is paid in late January or early February.

- 1 A detailed description of the Company's STI plan is contained in the response to Request
2 for Information NLH-210.