

Undertaking 28

Undertaking to provide what percentage of the bonus was actually paid that relates to reliability and asset management and reliability for 2014.

Undertaking 28, Attachment 1, provides a list of senior positions and incentive payment percentages relative to the total target for performance contracts that relate to asset management and reliability. Hydro has taken the opportunity to include any other items relating to reliability and asset management which were not included in Undertaking 5 (a) and (b). An example of such an inclusion is project execution targets where it impacts performance of Hydro assets.

The additional percentage amounts are reflected in a separate column (both target and percentage paid). The "Total" column reflects the full percentage of incentive related to reliability and asset management within the performance contracts. This can be compared to the "Contract Target" percentage available by position which is also stated.

2015 Performance Contracts (based on 2014 Performance) ¹											
Position	Contract Target (% of salary)	Asset Management Total ²		Reliability Total ³		Additional Reliability Measures ⁴		Total		Total Weighting of Contract ⁸	
		Target Percent ⁵ (% of salary)	Percent Paid ^{5,9} (% of salary)	Target Percent ⁵ (% of salary)	Percent Paid ^{5,9} (% of salary)	Target Percent ⁵ (% of salary)	Percent Paid ^{5,9} (% of salary)	Target Percent ⁵ (% of salary)	Percent Paid ^{5,9} (% of salary)	Target Percent (% of bonus)	Percent Paid ⁹ (% of bonus)
Chief Operating Officer (NL Hydro)	15%	3.75%	3.75%	1.80%	0.00%	0.45%	0.45%	6.00%	4.20%	40.00%	28.00%
Divisional Controller Electric Utilities	15%	0.45%	0.45%	0.00%	0.00%	0.45%	0.45%	0.90%	0.90%	6.00%	6.00%
General Manager, Finance (NL Hydro)	15%	0.45%	0.45%	0.00%	0.00%	0.45%	0.45%	0.90%	0.90%	6.00%	6.00%
General Manager, Gas Turbines & Diesels	15%	5.70%	4.20%	1.50%	1.50%	0.45%	0.45%	7.65%	6.15%	51.00%	41.00%
General Manager, TRO	15%	2.25%	2.25%	1.80%	0.00%	0.45%	0.45%	4.50%	2.70%	30.00%	18.00%
Manager, Building the Production Organization (Former Manager, Thermal Generation)	15%	2.25%	2.25%	1.80%	0.00%	1.50%	1.50%	5.55%	3.75%	37.00%	25.00%
Manager, Financial Control Processes & Risk	10%	0.30%	0.30%	0.00%	0.00%	0.30%	0.30%	0.60%	0.60%	6.00%	6.00%
Manager, Generation & Rural Planning	10%	0.30%	0.30%	0.00%	0.00%	2.10%	3.00%	2.40%	3.30%	24.00%	33.00%
Manager, Hydro Generation	10%	2.20%	2.20%	0.60%	0.00%	0.90%	0.30%	3.70%	2.50%	37.00%	25.00%
Manager, Project Execution (Regulated)	10%	1.00%	1.00%	0.00%	0.00%	1.30%	1.30%	2.30%	2.30%	23.00%	23.00%
Manager, Rates & Regulation	15%	0.45%	0.45%	0.00%	0.00%	0.45%	0.45%	0.90%	0.90%	6.00%	6.00%
Manager, Regulatory Engineering	10%	0.30%	0.30%	0.00%	0.00%	0.30%	0.30%	0.60%	0.60%	6.00%	6.00%
Manager, Supply Chain Management & Administration	10%	0.30%	0.30%	0.00%	0.00%	0.30%	0.30%	0.60%	0.60%	6.00%	6.00%
Manager, System Operation & Integration Support	15%	0.45%	0.45%	0.00%	0.00%	1.35%	1.65%	1.80%	2.10%	12.00%	14.00%
Manager, Systems Integration	15%	0.45%	0.45%	0.00%	0.00%	3.15%	3.15%	3.60%	3.60%	24.00%	24.00%
Manager, TRO Central ⁶	10%	2.30%	2.70%	1.40%	0.35%	0.30%	0.30%	4.00%	3.35%	40.00%	33.50%
Manager, TRO Central (Former) ⁶	15%	3.45%	3.85%	2.10%	0.70%	0.45%	0.45%	6.00%	5.00%	40.00%	33.33%
Manager, TRO Labrador	10%	2.20%	2.55%	1.20%	0.00%	0.30%	0.30%	3.70%	2.85%	37.00%	28.50%
Senior Legal Counsel	10%	0.30%	0.30%	0.00%	0.00%	0.30%	0.30%	0.60%	0.60%	6.00%	6.00%
Systems Operations Engineering Manager	10%	0.30%	0.30%	0.00%	0.00%	0.90%	1.20%	1.20%	1.50%	12.00%	15.00%
VP, Newfoundland & Labrador Hydro ⁷	20%	4.60%	3.35%	1.00%	0.00%	1.60%	1.60%	7.20%	4.95%	36.00%	24.75%
VP, Systems Operations & Planning	20%	0.60%	0.60%	0.00%	0.00%	4.40%	5.00%	5.00%	5.60%	25.00%	28.00%

NOTES:

¹ Payments in 2015 are based on 2014 performance. Percentages indicated do not include any adjustment for proration (where an incumbent is in a role for only a portion of the year.)

² Asset Management figures represent the total value submitted in U-5 (b) for asset management (includes Part A and B components, where applicable).

³ Reliability figures represent the values submitted in U-5 (a) for reliability. These measures include indicators relating to SAIDI or SAIFI.

⁴ These figures highlight additional reliability metrics and are in response to the offer by PUB counsel to identify any additional measures. All incumbents had an additional element in Part A. The additional Part A value was related to Project Execution and based on respective contract targets as follows: 0.30% for a 10% contract target; 0.45% for a 15% contract target and 0.60% for a 20% contract target. Any other additions were the result of inclusions from Part B (divisional component). These inclusions were present in employees who work within operations groups. Examples are measures that impact future reliability or generation.

⁵ Target Percent and Percent Paid under each of the headings "Asset Management Total", "Reliability Total", "Additional Reliability Measures" and "Total" reflect the respective portion of the "Contract Target" amounts. For instance, the "Chief Operating Officer (NL Hydro)" has a Total Target Percent of 6% out of an eligible 15% relating to reliability (i.e., representing 6/15 of the contract, or 40%).

⁶ Manager, TRO Central position was reclassified in 2014 resulting in target percentage change from 15% to 10%.

⁷ Correction from original submission. One performance indicator was incorrectly included under both Reliability and Asset Management.

⁸ The "Total Weighting of Contract" column represents the percentage weighting (Target and Paid) of the entire performance contract that is relating to reliability and asset management measures.

⁹ Percentage paid for an individual item can be higher than the Target Percentage (i.e., opportunity) as a result of Hydro's incentive plan design allowing for threshold and opportunity measures; however, maximum payment cannot not exceed overall contract target. Payments are capped at the percentage of salary indicated by overall contract target even if an individual achieves opportunity on all performance measures.