

- 1 Q. Consumer Question: Emera has a 12 member Board of Directors. Fortis Inc. has an
2 11 member Board of Directors. Newfoundland Power, a subsidiary of Fortis, has a
3 10 member Board of Directors. The Board members of Fortis and the Board of
4 Newfoundland Power are different people. Nalcor has 5 lines of business: (1)
5 Hydro, (2) Churchill Falls, (3) Oil and Gas, (4) Lower Churchill Project, (5) Bull Arm
6 Fabrication. Nalcor has five Board members. Hydro has five Board members. The
7 Nalcor Board of Directors and the Hydro Board of Directors have the same five
8 people as members (four are independent Directors). One of the key governance
9 functions of a board is to supervise the management of the business. Nalcor should
10 consider expanding the Nalcor Board to ten members and also expanding the Hydro
11 Board to ten members, with different independent members of the two Boards.
12 These expanded boards would help provide better corporate governance by sharing
13 the independent director's workload amongst more people. Could Nalcor provide
14 comment?
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- 17 A. Analysis of this question does not assist consideration of the Reference Question, as
18 neither the Terms of Reference nor the Reference Question considers the structure
19 of Nalcor's Board of Directors.