

1 Q. Further to the response to PUB-NLH-045 (Rev 1, Dec 19-14), explain in detail the
2 significant increase in time for 2014 and 2015 for the following executive positions:
3 President and Chief Executive Officer, Vice-President Finance, and Vice-President
4 Corporate Communications.

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7 A. The increase in hours charged to Hydro for these executive positions is mostly
8 associated with leadership and strategic direction relating to activities that are
9 specific to Hydro for 2014 and will be ongoing through 2015 and beyond due to the
10 increasing complexity of the electricity operations following interconnection.

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12 In 2014, the President and Chief Executive Officer (CEO), Ed Martin, was
13 significantly engaged in the oversight of the operational response to the January
14 2014 interruption of supply events and the subsequent inquiry process, which
15 engaged many executive positions. He also worked closely with senior Hydro
16 operations leadership in monitoring, ensuring 2014/2015 winter availability and
17 provided oversight on the regulatory processes associated with the interruption of
18 supply event and updated GRA filings.

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20 Moving through 2015 and beyond, the President and CEO will be participating
21 actively from an oversight perspective in Phase II of the outage inquiry scheduled
22 for later in 2015 and the Provincial Government's review of the NL electricity
23 system, which will centre largely on the structure and operations of Hydro. Moving
24 towards interconnected operations, he will be actively engaged in oversight of, and
25 strategic direction for, the "ready for operations" transition planning, a critical 2015
26 priority for Hydro. Key strategic decisions require attention in 2015, including
27 determining the corporate structure for post Muskrat Falls electricity operations.

1 The planning leading up to the interconnection, subsequent increased complexity of
2 the electricity system post-interconnection, and the resulting operations
3 implications, will require ongoing oversight and other strategic contributions from
4 the President and CEO. In the event a new consolidated executive is put in place for
5 Hydro, it is possible that the time allocated for the current President and CEO may
6 reduce. However, the potential reduction of costs would be expected to be offset
7 by the new executive resources.

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9 In 2014, the Vice-President Finance and Chief Financial Officer (CFO), Derrick
10 Sturge, was engaged significantly in financial reviews, reports and regulatory
11 applications that were required to address the interim rate applications, the filing of
12 Hydro's Amended Application, and the request for relief for additional expenditures
13 resulting from the interruption of supply events in January 2014.

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15 Continued oversight of the GRA process will be required in 2015. A similar level of
16 involvement in strategic issues for Hydro is expected to be ongoing to address the
17 changes, issues and requirements associated with operations transition planning,
18 particularly in relation to the various commercial, regulatory and legislative aspects
19 of this planning. CFO oversight to these issues and others will be critical as Hydro
20 adjusts to an expanded scope of operations following interconnection with the
21 North American grid.

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23 In 2014, the Vice-President Corporate Communications, Dawn Dalley, was actively
24 involved in the same key priority areas as the President and CEO, including: Hydro's
25 public and operational responses to the January 2014 interruption of supply events
26 and the subsequent inquiry processes; 2014/2015 winter availability efforts and
27 continued GRA activities from a stakeholder engagement perspective and public
28 and customer relations perspective; as well as providing strategic support to

1 planning and implementing and overseeing significant communications efforts on
2 these issues and events. A renewed focus was placed on Hydro's customer service
3 function and energy efficiency programming development in 2014 and both
4 functions report through the VP Corporate Communications.

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6 Moving forward to 2015 and beyond, the critical priorities of planning for the
7 interconnection and the complexity of the post-interconnection electricity system
8 will continue to require significant effort on both shareholder and stakeholder
9 engagement for the VP Corporate Communications. The renewed emphasis on both
10 customer services functions and energy efficiency programming continue into 2015
11 with strategic planning initiatives and will have ongoing requirements for strategic
12 direction and oversight.