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### mccarthy tetrault

December 23, 2016

#### VIA RESS AND COURIER

Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto, Ontario M4P 1E4

Dear Ms. Walli:

## RE: EB-2016-0160 Hydro One Networks Inc. ("Hydro One") Transmission Rates Application – Response to Undertaking J1.02 Attachment 2

Hydro One's response to Undertaking J1.02 Attachment 2 is enclosed.

Yours truly,

#### McCarthy Tétrault LLP

Signed in the original

Gordon M. Nettleton

GMN

Filed: 2016-12-23 EB-2016-0160 Exhibit J1.02 Attachment 2 Page 1 of 3

#### 2017 Executive Leadership Individual Goals

The current drafts of the 2017 executive leadership individual goals are attached. The goals are not yet approved by the Human Resources Committee of the Board (HRC). Goals related to non-regulated activities have been excluded.

6

1 2

Individual goals are complementary to the Team scorecard (J1.2 Attachment 1) and are
 expected to reflect goals directly related to the executives' scope of accountability. The
 Team Scorecard represents 80% of the Short Term Incentive targets for Executives, with
 the remaining represented by individual goals.

11

12 Consistent with the Team Scorecard for 2017, the Individual Scorecard is made up of 13 weighted measures (with a minimum of 10% given to any one measure). Performance is 14 assessed on each goal.

15

The Executive Leadership Personal Goals have not yet been approved by the HRC. At the December 2, 2016 meeting, the Committee asked for certain changes to executive goals as submitted to reduce some overlap between Team and Individual goals. Approval of the revised goals is required by the HRC and will be provided to them for their review and approval at the February 9, 2017 meeting. We expect that these goals will be approved as submitted. If there are material changes to these goals, we will inform the OEB accordingly.

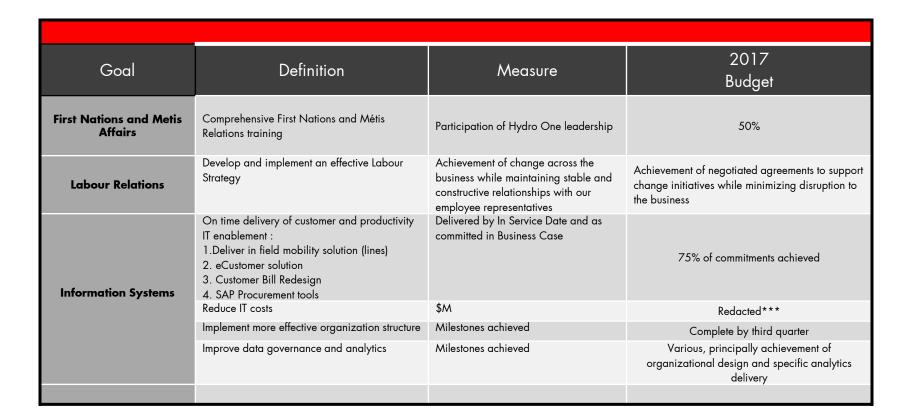


# **2017 Executive Leadership Individual Goals**

Goal *	Definition	Measure	2017 Budget
Health and Safety	Operations Recordable Incidents	Incidents per 200,000 hours	1.3
Productivity	Operations Productivity Savings (Procurement, O&M, Telematics, Stations)	\$M	Redacted**
Customer Satisfaction: Ease of doing business with Hydro One	Dx – Call Centre transaction accuracy	First Call Resolution	Redacted
	Tx – Customer satisfaction with reliability	Customer Satisfaction %	94%
	Residential and Small Business Customers – Improved Bill Understanding	Customer Survey %	Redacted
	Transmission, Commercial, and Industrial Customers – Satisfaction with keeping commitments	Customer Survey %	71%
Dx Filing	Successful conclusion of Dx filing	Quality of evidence; consistency with RRF; OEB acceptance	Redacted
Strategic Talent Management	<ol> <li>Establish and sustain effective Talent Management programs designed to identify and develop an engaged, diverse, high potential talent pipeline</li> <li>Build talent and expertise to improve effectiveness of leadership teams</li> </ol>	Achievement of plan milestones; effective execution; inclusion of diversity in processes	Several, including measures of succession planning, replacement planning, critical role assessment, diversity, organizational design optimization and talent improvement

\* For named individuals, the goals have an actual percentage weight. The sum of weights for each individual Executive Leader sums to 100%.

\*\* Tx portion of total corporate Operations Productivity Savings is \$5.0 million as per TCJ1.17.



\*\*\*Tx portion of Information System Savings is \$3.4 million as per TCJ 1.17

hydro