

**CENTRAL MAINE POWER COMPANY
RESPONSE TO ORAL DATA REQUEST NO. 3
DOCKET No. 2008-255**

December 1, 2008

ODR-03-12

- Q.** Please provide the 2008 Group Incentive Plan and a draft of the 2009 Group Incentive Plan.
- A.** Please see Attachments 1 & 2 for the 2008 and draft 2009 Group Incentive Plans, respectively.

Response Prepared By:

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Central Maine Power Company

Response Submitted By:

Paul A. Dumais
Director, Regulatory Services
Central Maine Power Company

Attachment(s):

1. 2008 Group Incentive Plan
2. 2009 Draft Group Incentive Plan

Central Maine Power Company 2008 Group Incentive Plan Targets

	2008 Objective	Year-end Status	Payout Potential	Notes
CORPORATE OBJECTIVES				
Customer Satisfaction	Best in Class		1.00%	
Customer Interaction	Best in Class		1.00%	
Energy Delivery	Best in Class		1.00%	
O&M Expense (Group Recommendation (1,091 Employees: \$52,928,413 P/R))	\$217,876,521 or less		1.00%	
BUSINESS AREA OBJECTIVES				
O&M Funding Trigger	\$212,583,680 or less		-	
ELECTRIC TECHNICAL SERVICES				
O&M Expense (trigger)	\$35,506,193		-	
Achieve 100% NERC Compliance	Year end		1.00%	
Implement the Grid Reliability Improvement Plan	Year end		0.50%	
Achieve Customer Interruption Duration Index	2.32 or lower		0.50%	
Achieve System Interruption Frequency Index	2.10 or lower		0.50%	
Achieve Capital Spending Target (Business Area Recommendation (155 employees))	\$89,401,246 or less		0.50%	
FIELD OPERATIONS				
O&M Expense (trigger)	\$35,475,603 or less		-	
Achieve Customer Interruption Duration Index	2.32 or lower		0.50%	
Achieve New Service Installation	95% or greater		1.00%	
Achieve Combined Safety Index	5.0 or less		1.00%	
Implement the Grid Reliability Improvement Plan (Business Area Recommendation (639 employees))	Year end		0.50%	
CUSTOMER SERVICES				
O&M Expense (trigger)	\$19,171,653 or less		-	
Achieve ASA of 30 seconds	80% or greater		1.00%	
Mail bills on time	98% or greater		1.00%	
Implement recommendations of Receivables Team to maximize collections and reduce arrearages (Business Area Recommendation (165 employees))	Year end		1.00%	
EXECUTIVE ADMINISTRATION				
O&M Expense (trigger)	\$15,341,256 or less		-	
Manage Operations and Capital within plan	On budget		1.00%	
Complete Cyber Security Compliance enhancements at CMP	Year end		0.50%	
Complete successful NUG/GF entitlement auction and stranded cost proceeding	Year end		0.50%	
Implement all transmission, distribution, stranded cost and standard offer price changes by designated dates	On schedule		0.50%	
File Certificate of Public Convenience and Necessity for MPRP (Business Area Recommendation (71 employees))	Year end		0.50%	
HUMAN RESOURCES				
O&M Expense (trigger)	\$3,809,540 or less		-	
Achieve EEO/AA objectives	Year end		1.00%	
Implement SAP modules as approved	On schedule		1.00%	
Implement Total Rewards communication plan as approved	On schedule		0.50%	
Develop and execute 2008 CMP Staffing Plan as approved (Business Area Recommendation (6 employees))	On schedule		0.50%	
IT APPLICATIONS				
O&M Expense (trigger)	\$63,946,300 or less		-	
Achieve CMP IT Performance Measure Goals	Year end		2.00%	
Implement the recommendations of the Receivables Team within the agreed upon scope and schedule (Business Area Recommendation (17 employees))	On plan/on schedule		1.00%	

Central Maine Power Company 2008 Group Incentive Plan Targets

	2008 Objective	Year-end Status	Payout Potential	Notes
SUPPLY CHAIN				
O&M Expense (trigger)	\$14,135,020 or less		-	
Availability of Fleet	98.0%		1.00%	
Availability of Critical Items	98.5%		0.50%	
Inventory Turns	2.8		0.50%	
Emergency Plan Testing	2		0.50%	
Achieve Combined Safety Index	5.0 or less		0.50%	
Business Area Recommendation (38 employees)				

Approvals:

 Wesley W. von Schack
 Chairman, President & Chief Executive Officer
 Energy East Corporation Date

 Sara J. Burns
 President
 Central Maine Power Company Date

 Richard R. Benson
 Senior Vice President and Chief Administrative Officer
 Energy East Corporation Date

Central Maine Power Company 2009 Group Incentive Plan Targets - DRAFT

	2009 Objective	Year-end Status	Payout Potential
CORPORATE OBJECTIVES			
Customer Satisfaction	Best in Class		1.00%
Customer Interaction	Best in Class		1.00%
Energy Delivery	Best in Class		1.00%
O&M Expense	\$251,874,695		1.00%
(Group Recommendation (1181 Employees; \$57,086,741 P/R))			
BUSINESS AREA OBJECTIVES			
O&M Funding Trigger	\$246,166,021		--
<u>ELECTRIC TECHNICAL SERVICES</u>			
O&M Expense (trigger)	\$40,381,985		--
Achieve 100% NERC Compliance	Year end		1.00%
Achieve Customer Interruption Duration Index	2.18 or lower		0.50%
Achieve System Interruption Frequency Index	2.10 or lower		0.50%
Develop and Execute a Construction Plan for MPRP	During 2009		0.50%
Achieve Capital Spending Target	\$136,237,007 +/- 10%		0.50%
Business Area Recommendation (179 employees)			
<u>OPERATIONS</u>			
O&M Expense (trigger)	\$35,439,814		--
Achieve Customer Interruption Duration Index	2.18 or lower		0.50%
Achieve Meter Reads	94% or greater		0.50%
Achieve System Interruption Frequency Index	2.10 or lower		0.50%
Achieve New Service Installation Index	TBD		0.50%
Achieve Combined Safety Index	5.0 or less		1.00%
Business Area Recommendation (645 employees)			
<u>CUSTOMER SERVICES</u>			
O&M Expense (trigger)	\$20,231,007		--
Achieve ASA of 30 seconds	80% or greater		1.00%
Mail bills on time	98% or greater		1.00%
Implement recommendations to maximize collections	During 2009		1.00%
Business Area Recommendation (189 employees)			
<u>EXECUTIVE ADMINISTRATION</u>			
O&M Expense (trigger)	\$15,394,756		--
Manage Operations and Capital within plan	On budget		1.00%
Complete successful NUG/QF entitlement auction and related stranded cost update.	Year end		0.50%
Have at least 85% compliance in required training of qualified employees.	Year end		0.50%
Implement all transmission, distribution, stranded cost and standard offer price changes by designated dates.	On schedule		0.50%
Obtain the Certificate of Public Convenience and Necessity for MPRP	During 2009		0.50%
Business Area Recommendation (77 employees)			

MAN RESOURCES

Expense (trigger)	\$3,653,654		--
Achieve EEO/AA objectives	Year end		1.00%
Negotiate a new collective bargaining agreement.	Year end		1.00%
Continue implementation of total rewards communication plan.	Year end		0.50%
Develop and Execute 2009 CMP Staffing Plan. Business Area Recommendation (6 employees)	Year end		0.50%

IT APPLICATIONS

O&M Expense (trigger)	TBD		--
Achieve CMP IT Performance Measure Goals	TBD		2.00%
Implement credit and collections directives from senior management according to directed schedule; Implement credit and collection initiatives recommended by business areas in order to maximize collections according to agreed upon scope and schedule	TBD		1.00%
Business Area Recommendation (TBD employees)			

SUPPLY CHAIN

O&M Expense (trigger)	TBD		--
Achieve Availability of Fleet targets	98.0%		1.00%
Achieve Availability of Critical Items targets	98.5%		0.50%
Achieve Inventory Turns targets	TBD		0.50%
Emergency Plan Testing	2		0.50%
Achieve Combined Safety Index	TBD		0.50%
Business Area Recommendation (TBD employees)			