

ENMAX CORPORATION 2017 REPORT ON EXECUTIVE COMPENSATION

As of December 31, 2017



OUR APPROACH TO EXECUTIVE COMPENSATION

ENMAX'S STRATEGIC DIRECTION

ENMAX Corporation (ENMAX) is an energy company headquartered in Calgary, Alberta. Our mission is to power the potential of people, businesses and communities by safely and responsibly providing electricity and energy services in ways that matter to them today and tomorrow.

We make, move and market electricity safely and reliably as one of the largest electricity providers in Alberta and through our subsidiaries and predecessors, hold a proud history of delivering electricity to Calgarians for over 100 years. We are involved across all areas of the electricity value chain with 1,800 employees, and serve approximately 946,000 residential and commercial sites across Alberta.

Compensation Principles

At ENMAX, we compensate, reward, and recognize employees at every level of the organization based on their contributions toward our business outcomes. We strive to attract, motivate, and retain a high performance workforce. To accomplish this, our compensation programs are designed to meet the following objectives:

- Attract and retain key talent by providing compensation that is competitive with our established peer group
- Encourage behaviors that generate outcomes aligned with our business strategy and risk profile
- Align employee interests with our business objectives by supporting a pay-for-performance culture that rewards strong performance and reduces variable compensation paid in the event of certain business goals not being met
- Promote responsible and transparent compensation policies and processes and
- Provide flexibility to respond to continuously evolving market and governance practices.

This comparison reflects the market within which ENMAX competes for executive talent and with companies that have similar business operations. In addition, the peer group has significant Alberta presence, reflecting local pay practices and competitive pressures.

PAY POSITIONING

Our program must be competitive to ensure we can attract and retain the executive talent required to achieve our business objectives.

In order to support our compensation objectives, ENMAX's compensation structure is designed to provide target total direct compensation at the median (50th percentile) of our established labour market (described below under Peer Group) for performance that meets expectations. Compensation for an individual may vary from the median based on a variety of factors, including:

- Scope of the role within ENMAX
- Key skills and contributions of the individual
- Tenure and experience in the role
- Other considerations related to attraction and retention.

The competitiveness of our compensation structure is reviewed periodically to ensure continued appropriateness. On an annual basis, the Safety and Human Resources Committee (S&HRC) reviews the positioning of each executive within the context of ENMAX's compensation structure, competitive pay levels, and internal relativity, and appropriate adjustments are made.

PEER GROUP

We benchmark our compensation structure and its competitiveness annually relative to a peer group of companies that is considered to be relevant for compensation purposes. This comparison reflects the market within which ENMAX competes for executive talent and with companies that have similar business operations. In addition, the peer group has significant Alberta presence, reflecting local pay practices and competitive pressures.

We periodically review the peer group selection criteria and companies within the peer group for continued relevance and appropriateness. The last comprehensive peer group review was conducted in 2014. Annual review is conducted however, to ensure continued suitability of the peer group with regards to changes such as mergers or major changes in business direction.

The following criteria have been used to develop our current peer group:

CRITERIA	FOCUS	RATIONALE
Industry	Power Generation Energy Utilities Energy Services Oil & Gas Exploration & Production Independent Power Producers & Energy Traders Oil & Gas Storage & Transportation Non-Autonomous Organizations	Industries in which relevant skills and experience at the executive level are typically found, as well as similarity in business focus. Also reflects that organizations in some of these industries operate under a similar regulatory framework as ENMAX and have similar lines of business.
Ownership Structure	Government organizations Autonomous, publicly-traded companies Subsidiary organizations	Reflects the ownership structure of ENMAX, with responsibilities to taxpayers, and considers that executive talent can be sourced from a variety of organizations.
Size	Similar in size to ENMAX (i.e., approximately 0.5x to 2x ENMAX's revenue)	Reflects the scope and complexity of operations, and level of infrastructure required to operate in this industry.
Geography	Based in Canada Representation of Alberta-based organizations	Reflects the pay practices and competitive environment within which ENMAX competes for executive talent in Alberta and, more broadly, Canada.

Our executive roles are assessed relative to the most directly comparable positions in the peer companies, considering such factors as position responsibilities, span of control, management level, reporting relationships, and strategic focus.

Our peer group for executive compensation purposes is comprised of the following organizations:

COMPANY	PROVINCE	INDUSTRY CLASSIFICATION	OWNERSHIP STRUCTURE
AltaLink LP	Alberta	Electric Utilities	Limited Liability Partnership
ARC Resources Ltd.	Alberta	Oil and Gas Exploration and Production	Autonomous / Publicly Traded
ATCO Ltd.	Alberta	Multi-Utilities	Autonomous / Publicly Traded
BC Hydro	British Columbia	Electric Utilities	Government
Bruce Power LP	Ontario	Independent Power Producers and Energy Traders	Limited Liability Partnership
Capital Power Corporation	Alberta	Independent Power Producers and Energy Traders	Autonomous / Publicly Traded
Chevron Canada Resources	Alberta	Multi-Sector Holdings	Subsidiary
Devon Canada Corporation	Alberta	Oil and Gas Exploration and Production	Subsidiary
Emera Inc.	Nova Scotia	Electric Utilities	Autonomous / Publicly Traded
Enbridge Gas Distribution	Ontario	Gas Utilities	Subsidiary
EPCOR Utilities Inc.	Alberta	Electric Utilities	Government
FortisAlberta Inc.	Alberta	Electric Utilities	Subsidiary
FortisBC Energy Inc.	British Columbia	Electric Utilities	Subsidiary
Fortis Inc.	Newfoundland	Electric Utilities	Autonomous / Publicly Traded
Hydro One Inc.	Ontario	Electric Utilities	Government / Publicly Traded
Inter Pipeline Fund	Alberta	Oil and Gas Storage and Transportation	Autonomous / Publicly Traded
Manitoba Hydro-Electric Board	Manitoba	Electric Utilities	Government
Ontario Power Generation Inc.	Ontario	Electric Utilities	Government
Pengrowth Energy Corporation	Alberta	Oil and Gas Exploration and Production	Autonomous / Publicly Traded
Saskatchewan Power Corp.	Saskatchewan	Electric Utilities	Government
Saskenergy Incorporated	Saskatchewan	Gas Utilities	Government
TransAlta Corp	Alberta	Independent Power Producers and Energy Traders	Autonomous / Publicly Traded

COMPENSATION COMPONENTS

Our executive compensation program is comprised of the following elements of compensation:

COMPENSATION ELEMENT	LINK TO COMPENSATION OBJECTIVES	LINK TO BUSINESS OBJECTIVES
FIXED COMPENSATION		
Salary	<ul style="list-style-type: none"> Competitiveness Income Security Recognize skills and leadership, and reflect degree of accountability 	Competitive pay ensures high quality talent in order to achieve the business objectives
Pension	<ul style="list-style-type: none"> Competitiveness Income Security Retention 	Competitive pension ensures high quality talent in order to achieve the business objectives
Benefits	<ul style="list-style-type: none"> Competitiveness Health and Wellbeing 	Competitive benefits ensures high quality talent in order to achieve the business objectives
Perquisites	<ul style="list-style-type: none"> Competitiveness 	Competitive perquisites ensures high quality talent in order to achieve the business objectives
VARIABLE (OR "AT RISK" COMPENSATION)		
Annual Variable Pay Program (AVPP)	<ul style="list-style-type: none"> Competitiveness Pay-for-performance Retention 	<p>Rewards the achievement of short-term objectives measured at the Corporate, Business Unit, and Individual level during the year</p> <p>Competitive pay ensures high quality talent in order to achieve the business objectives</p>
Long-term Incentive Plan (LTIP)	<ul style="list-style-type: none"> Competitiveness Pay-for-performance Retention 	<p>Rewards the achievement of longer-term business and strategic objectives measured over a 3-year period</p> <p>Competitive pay ensures high quality talent in order to achieve the business objectives</p>

Our AVPP and LTIP are designed to:

1. provide a greater pay-for-performance focus aligned with the achievement of our strategic goals,
2. strengthen the alignment of participants' interests with our Shareholder, and
3. better align the full range of compensation opportunities with market levels.

PAY MIX

Our total direct compensation is comprised of salary and variable pay, and excludes pension, benefits and perquisites. A targeted pay mix is determined for each executive in consideration of competitive practices, internal relativity, and the role's scope of responsibility. The targeted mix between the compensation elements varies depending on the executive's ability to impact short-term and long-term business results, and to reflect competitive practices.

The actual pay mix may vary from target based on an assessment of multiple factors (discussed in the Pay Positioning section), and is reviewed annually by management and the S&HRC to ensure that ENMAX’s compensation objectives are being achieved. The actual pay mix varies from year to year based on performance and other factors.

Our compensation structure has been developed in order to provide the majority of compensation in the form of variable, or “at-risk”, pay to ensure alignment with performance and our Shareholder’s interests.

COMPENSATION GOVERNANCE AT ENMAX

MANDATE OF THE SAFETY AND HUMAN RESOURCES COMMITTEE

The S&HRC of the Board of Directors (Board) is responsible for the oversight of ENMAX’s compensation programs for executives. Specific compensation accountabilities of the S&HRC include:

- Oversee key compensation and human resources policies and programs
- Review the compensation philosophy and programs to ensure alignment with business objectives
- Review the CEO’s performance and the CEO’s assessment of the performance of her direct reports
- Review and recommend to the Board for approval the compensation of the CEO and other executives
- Oversee the pension plans, and
- Assess certain human resources-related risks, including pension risk, and workforce development and retention risks.

COMPENSATION APPROVAL PROCESS

The S&HRC meets quarterly with special meetings convened as required over the course of the year. The CEO provides recommendations to the S&HRC on compensation-related issues based on information and analysis prepared by management with input from external compensation consultants and experts.

The S&HRC considers a variety of information in reviewing the CEO’s recommendations and makes a recommendation to the Board for their approval. The Board reviews the recommendation and has ultimate authority to approve it.

Compensation Approval Process for CEO

ANALYSIS	RECOMMENDATIONS	APPROVAL
<ul style="list-style-type: none"> • Board Chair and S&HRC Chair are informed by performance results and compensation consultants 	<ul style="list-style-type: none"> • S&HRC following review of recommendations of Board Chair and S&HRC Chair 	<ul style="list-style-type: none"> • Board of Directors

Compensation Approval Process for CEO's Direct Reports

INPUTS	ANALYSIS	RECOMMENDATIONS	APPROVAL
<ul style="list-style-type: none"> Corporate Business Unit and Individual Business Results Market data analysis and competitive practices provided by Willis Towers Watson Information from compensation consultants 	<ul style="list-style-type: none"> Analysis of data collected from inputs conducted by the President & CEO 	<ul style="list-style-type: none"> S&HRC following review of President & CEO's recommendations 	<ul style="list-style-type: none"> Board of Directors

COMPENSATION RISK MITIGATION

The S&HRC regularly reviews the compensation programs for continued appropriateness and, from time to time, makes modifications to align with evolving market and good governance practices.

Highlights of our programs and practices that mitigate compensation-related risks are as follows:

RISK MITIGATING PROCESS	DESCRIPTION
Oversight Responsibility	All executive compensation-related decisions are reviewed and approved by the S&HRC and Board, which has ultimate oversight and accountability for executive compensation at ENMAX. In preparing its recommendations, the S&HRC has access to its own independent advisor to provide input from an external perspective.
Competitive Positioning	Our compensation philosophy targets compensation to be delivered near the 50 th percentile, with the ability to pay at, above, or below the targeted level based on performance and other relevant factors. The overall pay levels and pay mix are established by referencing market levels and do not over-weight any one compensation element.
Pay Mix	A significant portion of executive compensation is delivered in variable pay, through the AVPP and LTIP. Performance is assessed over multiple time horizons (1-year through the AVPP, and 3-year through the LTIP), with a greater emphasis on long-term performance for executives. Multiple, overlapping performance periods ensure that there is an ongoing focus on long-term sustainability of performance.
Measuring Performance	Performance is assessed in our AVPP and LTIP using a variety of measures at the Corporate, Business Unit, and Individual level. The measures have been selected to provide a balanced focus on various financial and operating results that ultimately support our business strategy. Multiple measures reduce the emphasis on one metric and provide a more holistic view of performance. Specific performance goals, such as the threshold, target, and maximum for each measure, are reviewed annually by the S&HRC for continued appropriateness and relevance; the performance range is adjusted for upcoming performance periods as appropriate.
Incentive Program Caps	Incentive program payouts are capped in order to ensure that excessive payments do not occur in years of extraordinary performance. AVPP payouts are capped at 150% of target, and LTIP payouts are capped at 200% of the opportunity size.
Incentive Claw-backs	A claw-back policy is in place which seeks recoupment of variable compensation (or adjustment of future payments) in the event of material restatement of financials and intentional fraud or misconduct that caused or partially caused the need for restatement.

Compensation “Claw-Backs”

A compensation “claw-back” provision for our variable pay programs and applies to the President & CEO, Executive Vice Presidents, and Vice Presidents.

The determination of payments under ENMAX’s variable pay programs is based on assumptions and representations provided by management. The Board reserves the right to seek repayment of past payments made and/or amend any future payments in situations where:

- The amount of variable pay received by the executive or former executive was calculated based upon, or contingent on, the achievement of certain financial results that were subsequently the subject of, or affected by, a material restatement of all or a portion of ENMAX’s financial statements, and
- The executive or former executive engaged in intentional misconduct or fraud that caused or partially caused the need for the restatement, and
- The amount of variable pay received would have been lower had the financial results been properly reported.

COMPENSATION ADVISORS

ENMAX participates in various compensation surveys administered by Willis Towers Watson and Mercer.

- Willis Towers Watson is ENMAX’s actuary and, as such, provides actuarial services for defined benefit pension administration and associated accounting/financial services related to the pension plan.
- Mercer provides investment consulting services for the Defined Contribution (DC) component of ENMAX’s Pension Plan.
- Willis Towers Watson has acted as Management’s consultant since 2007. In 2017, Willis Towers Watson provided consulting services to ENMAX in the redesign of the benefits plan to ensure market competitiveness. The ENMAX benefits plan had not been updated since 2006.
- Consulting services from Meridian Compensation Partners, LLC is provided to the S&HRC.

Fees paid by ENMAX to external compensation advisors are outlined below. This reflects when fees were paid, and may not align with when work actually began or ended.

COMPANY	SERVICES	2016 FEES	2017 FEES
Willis Towers Watson (Retained by Management)	Executive Pension Disclosure	\$33,314	\$24,000
Willis Towers Watson (Retained by Management)	All Other Fees ¹	\$172,472	\$303,769
Mercer (Retained by Management) ²	DC Pension Investment Consulting	\$33,595	\$33,995
Meridian Compensation Partners, LLC (Retained by S&HRC)	Executive Compensation Consulting	N/A	\$38,540

¹ Other Fees include: Consulting Services for pension and actuarial services, group health benefits, regulatory filing support, financial reporting, and Executive employment agreements.

² Mercer commenced as Management’s DC consultant in July 2015.

2017 EXECUTIVE COMPENSATION

NAMED EXECUTIVE OFFICERS

This section discusses compensation decisions related to the Named Executive Officers (NEOs) in 2017, who are as follows:

- President & CEO - Gianna Manes
- Executive Vice President (EVP) & Chief Financial Officer - Helen Wesley
- Executive Vice President, Power Supply and Delivery & Chief Operating Officer - Dale McMaster
- Executive Vice President, Energy Services - James McKee
- Executive Vice President, Regulatory & Chief Legal Officer – Erica Young

Readers are referred to ENMAX's website for biographical information on all NEOs.

SETTING EACH COMPENSATION COMPONENT

Our compensation programs are designed to support ENMAX's business objectives, allowing us to successfully execute our human resources strategy and support a high-performing culture by aligning pay with performance. In determining our executives' compensation in a given year, the S&HRC considers a comprehensive set of factors, which includes:

- External market data for comparable positions within our peer group
- Assessment of ENMAX's performance
- Assessment of performance of the CEO and the CEO's direct reports
- Each executive's potential to contribute to our strategic direction and long-term value creation for our Shareholder and
- Summary of compensation decisions from the prior year.

Salaries

Salaries are established at a level that is competitive in the market for similar roles and reflects the nature and level of the position, the level of skill, knowledge, and experience each individual brings to their role, and each individual's level of performance.

For 2016, ENMAX froze all Management Professional salaries including executives in response to Alberta economic conditions. The following table provides 2017 base salaries for each of the NEOs.

NAME POSITION	2016 SALARY	2017 SALARY	% CHANGE
Gianna Manes , President & CEO	\$682,500	\$720,000	5.5%
Helen Wesley , EVP & CFO	\$430,000	\$430,000	0%
Dale McMaster , EVP Power Supply & Delivery & COO	\$422,400	\$485,000	14.8% ²
James McKee , EVP Energy Services	\$314,600	\$346,000	10.0% ²
Erica Young , EVP Regulatory & CLO ¹	N/A	\$320,000	N/A

¹ For 2017, Ms. Young meets the definition of an NEO.

² In 2017 the ENMAX Executive team was reduced by one headcount, resulting in increases to the responsibilities of Mr. McMaster and Mr. McKee which is reflected in part by the increase to Salary over this period.

ANNUAL VARIABLE PAY PROGRAM (AVPP)

Program Design

ENMAX's AVPP provides for competitive compensation that reflects the company's overall financial performance, achievement of key performance indicators (KPIs) related to each business unit or functional area over which an executive has oversight, and individual performance. The AVPP is designed to:

- Provide clear and quantifiable performance expectations by establishing threshold, target, and maximum performance levels, with payouts that are reflective of the level of performance achieved
- Improve line-of-sight by ensuring an appropriate weighting on Corporate, Business Unit, and Individual performance
- Focus Business Unit KPIs on key success objectives of cost control, project delivery, and performance
- Ensure that each KPI is thoughtfully developed by considering participants' ability to impact performance
- Allow for increased differentiation of payouts based on individual contributions and performance and
- Ensure a competitive payout opportunity at various levels of performance.

The range of payouts (expressed as a percentage of salary) based on 2017 performance of the NEOs is outlined below.

POSITION	BELOW THRESHOLD PERFORMANCE (% OF SALARY)	THRESHOLD PERFORMANCE (% OF SALARY)	TARGET PERFORMANCE (% OF SALARY)	MAXIMUM PERFORMANCE (% OF SALARY)
President & CEO	0%	37.5%	75.0%	112.5%
Other NEOs	0%	25.0%	50.0%	75.0%

Performance is measured based on Corporate, Business Unit, and Individual factors, with specific weightings for each component. The weighting of each component varies by organization level, as shown below for the NEOs. Performance scores for each component can range from 0% of target for performance below threshold, 50% of target for threshold performance, to 150% of target for maximum performance. AVPP payouts are capped at 150% of target.

CORPORATE PERFORMANCE	BUSINESS UNIT PERFORMANCE	INDIVIDUAL PERFORMANCE
<ul style="list-style-type: none"> • Safety (total recordable injury frequency) • Profitability as measured by EBITDA • Cost Management as measured by OM&A (Operations, Maintenance & Administration cost control) 	<ul style="list-style-type: none"> • Select KPIs that drive success at a Business Unit level in the areas of cost control, project delivery and performance 	<ul style="list-style-type: none"> • Measures success on personal performance goals
President & CEO: 80% weight	N/A	20% weight
Other NEOs: 50% weight	30% weight	20% weight

The Board of Directors retains overall discretion for all AVPP payouts.

2017 Payouts

The S&HRC considers a range of key factors in determining recommended compensation levels for the CEO and other NEOs. Recommendations are submitted to the Board for approval. In any given year, actual AVPP payouts for the NEOs may be more or less than target levels. The specific payouts associated with the AVPP are outlined below and in the Summary Compensation Table (page 15).

The following provides the targeted performance at the corporate level, and ENMAX's actual results relative to target. The resulting payout factors for Safety, Profitability (EBITDA) and Cost Management (OM&A) are shown, and are calculated based on actual performance relative to pre-established threshold, target, and maximum performance levels for 2017.

Despite a challenging market, ENMAX performed well and exceeded corporate KPI performance targets. The overall corporate performance factor was 138%.

PERFORMANCE MEASURE	2017 TARGET PERFORMANCE	2017 ACTUAL PERFORMANCE	PAYOUT FACTOR
Safety (30% weight) – TRIF ¹	1.20	1.00	34%
Profitability - EBITDA (50% weight) ²	\$350 Million	\$433 Million	75%
Cost Management – OM&A (20% weight) ³	\$385 Million	\$352 Million	29%
Corporate Performance Payout Factor: 138%⁴			

¹ TRIF - Total Recordable Injury Frequency - the lower the result on this measure is desirable.

² EBITDA - Earnings before Interest, Tax, Depreciation and Amortization – the higher the result on this measure is desirable.

³ OM&A – the lower the result on this measure is desirable.

⁴ As approved by the S&HRC and Board of Directors on March 14, 2018.

In 2017, ENMAX's individual Business Units drove success by setting KPIs associated with Business Unit specific project delivery and performance. Projects were assessed relative to scope, schedule, budget, quality and safety. Performance metrics varied between Business Units and included KPIs such as reliability measures, generation asset availability, customer satisfaction and contracted gross margin. The table below highlights the Performance Payout factor of each Business Unit.

BUSINESS UNIT PERFORMANCE PAYOUT FACTOR	
Power Delivery	133%
Technical Services	131%
Power Services	141%
Competitive Energy	116%
Information Technology	117%
Finance	125%
People, Communications & Engagement	120%
Regulatory & Legal Services	124%

Individual goals aligned to ENMAX's strategy are established at the beginning of the year, specific to each NEO and his or her area of responsibility. Individual performance is assessed by the Board for the CEO, and by the CEO for her direct reports. Each of the NEOs, including the CEO, met or exceeded their individual performance objectives.

Based on the Corporate, Business Unit, and Individual performance achieved, the overall payout factor, target and actual AVPP payouts for each NEO, based on 2017 performance, is presented below.

NAME POSITION	CORPORATE FACTOR	BUSINESS UNIT FACTOR	INDIVIDUAL FACTOR	OVERALL PAYOUT FACTOR	AVPP PAYOUT RANGE (% OF SALARY)			PAYOUT FOR 2017 PERFORMANCE	
					THRESHOLD	TARGET	MAXIMUM	\$ VALUE	% OF SALARY
Gianna Manes President & CEO	138%	N/A	150%	140%	37.5%	75.0%	112.5%	\$747,225	104%
Helen Wesley EVP & CFO ¹	138%	124%	150%	136%	25.0%	50.0%	75.0%	\$292,701	68%
Dale McMaster EVP Power Supply & Delivery & COO	138%	133%	135%	136%	25.0%	50.0%	75.0%	\$292,911	60%
James McKee EVP Energy Services ²	138%	135%	135%	137%	25.0%	50.0%	75.0%	\$230,210	67%
Erica Young EVP Regulatory & CLO	138%	124%	150%	136%	25.0%	50.0%	75.0%	\$217,920	68%

¹ Business Unit performance payout factor is a blend between Finance (85% weight) and Information Technology (15% weight)

² Business Unit performance payout factor is a blend between Technical Services (60% weight) and Power Services (40% weight)

LONG TERM INCENTIVE PLAN (LTIP)

Program Design

ENMAX's CEO, Executive Vice Presidents, Vice Presidents, Directors and Senior Managers are eligible to participate in the LTIP. ENMAX's LTIP focuses executives on sustaining high performance, facilitating attraction and retention of critical talent, and aligns executives' interests with our focus on creating Shareholder value over a long-term time horizon.

The LTIP is designed to provide a greater focus on forward-looking performance over a multi-year period.

The LTIP:

- Closely aligns with performance objectives that are viewed to be key success factors of the longer term strategic plan
- Encourages cross business unit collaboration to achieve shared goals
- Strengthens the pay-for-performance focus by measuring results over a forward-looking, three-year performance period
- Strengthens retention via a vesting schedule that "cliff-vests" at the end of the 3-year performance period, and
- Provides alignment with common variable pay and good governance practices in the market.

Performance under the 2015-2017 LTIP is measured based on an equal weighting between financial and strategic (non-financial) measures.

FINANCIAL PERFORMANCE (50% Weight)	STRATEGIC OBJECTIVES (50% weight)
Three- year average of Return on Capital Employed (ROCE)	<ul style="list-style-type: none"> • Maturity of Safety Culture • Maturity of Talent Development Culture • Position ENMAX’s long term success through creating customer value and finding better ways of working

Financial and strategic goals and threshold, target and maximum levels of performance are set at the outset of each three-year performance period. At the end of the performance period, the S&HRC assesses performance against each measure, determines success achieved and makes a recommendation to the Board.

In making its assessment, the S&HRC considers external factors beyond the participants’ control for which they should not be rewarded or penalized. Performance scores for each measure can range from 0% of target for performance below threshold, 50% of target for threshold performance, 100% for target performance to 200% of target for maximum performance. LTIP payouts are capped at 200% of target.

At the outset of the performance period, LTIP compensation opportunity is approved by the Board and communicated to program participants. Participants understand that there is no certainty of payout as it is subject to performance and employment at the end of the performance period. LTIP payments are made in the pay period after the S&HRC meeting following the completion of the performance period.

The Board of Directors retains overall discretion for all LTIP payouts.

Historical LTIP grants awarded for the period 2015-2017 are reported on page 16. The 2018 LTIP awards can be found on page 15 in the Summary Compensation Table.

PENSION PLANS

All NEOs participate in the DC provision of the ENMAX Pension Plan (Registered Plan). In addition, the NEOs participate in the ENMAX Corporation Supplemental Retirement Plan (Supplemental Plan). The Supplemental Plan is an unfunded non-registered pension plan, and it provides benefits under a defined benefit (DB) provision and a DC provision. With the exception of Mr. McKee, all ENMAX’s NEOs participate in the DC provision of the Supplemental Plan. Mr. McKee participates in the DB provision of the Supplemental Plan. The supplemental benefits payable to the NEOs are calculated consistently with all other members of the Supplemental Plan. As the Supplemental Plan is unfunded, benefits from this plan are paid from ENMAX’s general revenues.

ENMAX Pension Plan – Defined Contribution Plan

The Registered Plan provides benefits under a DB provision and a DC provision. ENMAX’s NEOs all participate in the DC provision and their benefits are calculated consistently with all other DC members. A summary of the DC provisions is provided below:

- Permanent employees are immediately enrolled upon hire and are immediately vested in the plan, therefore, entitled to ENMAX’s contributions upon termination or retirement
- ENMAX contributes 4% of employees’ base salary
- Employees may make optional contributions between 0% to 4% of base salary, which ENMAX matches at a rate between 50% to 150% based on the employee’s age and service

- Total contributions to the DC provision cannot exceed the Money Purchase Limit imposed by the Income Tax Act (Canada), which was \$26,230 in 2017 and
- Employees direct their own investments and may invest in various funds covering all major asset classes.

Defined Contribution Supplemental Retirement Plan (DC-SRP)

Effective March 21, 2006, the DC provision of the Supplemental Plan (DC-SRP) was established for all new employees and existing employees who did not previously qualify for the DB provisions of the Supplemental Plan. The DC-SRP is available to employees whose base salary plus actual annual variable pay amounts exceed the annual earnings threshold under the DC provision of the Registered Plan. Other aspects of the DC-SRP include:

- Employee contributions are neither permitted nor required and
- ENMAX makes notional allocations of 6% and 10% (based on age plus service) of pensionable earnings to the employee's notional account balance.

Pensionable earnings are determined as the amount of base salary plus actual annual variable pay in excess of the annual earnings threshold under the DC provision of the Registered Plan.

Defined Benefit Supplemental Retirement Plan (DB-SRP)

ENMAX closed the DB provision of the Supplemental Plan (DB-SRP) to new entrants effective March 21, 2006. Participants whose earnings would exceed an annual earnings threshold under the DB provisions of the Registered Plan (\$162,312 for 2017) will earn service for that year under the DB-SRP. Other aspects of the DB provisions include:

- Employee contributions are neither permitted nor required
- Formula for each year of DB-SRP service is 1.75% of best average pensionable earnings
- Pensionable earnings are determined as the amount of base salary plus actual annual variable pay in excess of the annual earnings threshold under the DB provision of the Registered Plan
- Best average pensionable earnings are the average of the pensionable earnings in the five consecutive calendar years in which pensionable earnings are the highest
- Members are entitled to receive DB-SRP benefits after two years of service from date of hire, and
- Normal retirement is the later of age 55 and the attainment of 85 points, but not later than age 65. Early retirement is age 55. The early retirement reduction is 3% for each year that the member retires prior to the attainment of age 65 or the date when the member has 85 points under the Registered Plan.

BENEFIT PLANS

NEO's participate in ENMAX's flex benefit program which includes; extended health, dental, short term and long term disability, life and accidental death and dismemberment insurance, critical illness insurance, executive medicals, and health spending account.

Executives also receive an annual perquisite account which can be allocated annually to one, or a combination, of the following items: an annual perquisite or a health spending account (in addition to the amount provided under the core benefits plan). The value of the flexible perquisite account is \$20,000 for the CEO and \$15,000 a year for the other NEOs.

DETAILED COMPENSATION DISCLOSURE

SUMMARY COMPENSATION TABLE

NAME POSITION	YEAR	SALARY	OTHER COMPENSATION ¹	VARIABLE PAY		PENSION VALUE ⁴	TOTAL COMPENSATION ⁵
				AVPP ²	LTIP ³		
Gianna Manes President & CEO	2017	\$709,615	\$35,182	\$747,225	\$792,000	\$104,732	\$2,388,754
	2016	\$682,500	\$45,090	\$595,823	\$750,750	\$106,150	\$2,180,313
	2015	\$682,500	\$20,582	\$644,372	\$750,750	\$109,930	\$2,208,134
Helen Wesley ⁶ EVP & CFO	2017	\$430,000	\$15,582	\$292,701	\$344,000	\$54,808	\$1,137,091
	2016	\$430,000	\$90,582	\$253,307	\$344,000	\$33,606	\$1,151,495
Dale McMaster ⁹ EVP Power Supply & Delivery & COO	2017	\$431,068	\$15,582	\$292,911	\$316,800	\$68,912	\$1,125,273
	2016	\$422,400	\$15,582	\$260,199	\$295,680	\$68,028	\$1,061,889
	2015	\$422,400	\$15,582	\$257,876	\$310,000	\$69,485	\$1,075,343
James McKee ^{7,9} EVP Energy Services	2017	\$337,305	\$15,582	\$230,210	\$235,950	\$148,231 ¹⁰	\$967,278
	2016	\$314,600	\$15,582	\$190,113	\$204,490	\$44,097	\$768,882
Erica Young ⁸ EVP Regulatory & CLO	2017	\$320,000	\$15,582	\$217,920	\$240,000	\$31,764	\$825,266

¹ All Other Compensation reflects perquisite amounts and premiums for company-paid critical illness insurance coverage. Also includes tax planning for Ms. Manes in the amount of \$24,507 for 2016 and \$14,600 for 2017.

² AVPP earned in year indicated, payable in March of subsequent year.

³ Reflects amounts granted in year, payable at end of three-year performance period. Actual amount paid dependent on plan performance.

⁴ Pension Value reflects the compensatory components of the Registered and the Supplemental Plans.

⁵ Total Compensation includes salary and other compensation amounts reflective of performance for year indicated. May be payable in future years.

⁶ Ms. Wesley commenced employment with ENMAX in 2016. Amounts in Other Compensation reflect a \$75,000 sign on payment in 2016.

⁷ For 2016, Mr. McKee met the definition of an NEO.

⁸ For 2017, Ms. Young meets the definition of an NEO.

⁹ In 2017 the ENMAX Executive team was reduced by one headcount, resulting in increases to the responsibilities of Mr. McMaster and Mr. McKee which is reflected in part by the increase to Salary over this period.

¹⁰ Mr. McKee's increase in pension value is due to both his participation in the Defined Benefit Supplemental Retirement Plan (DB SRP) and greater than assumed pensionable earnings resulting in an increase to his compensatory changes in accrued obligation.

LTIP GRANTS TABLE

The table below summarizes LTIP grants over the last three years and the payment made for the grant following the completion of the performance period. LTIP grant amounts listed are broken out into their respective performance periods.

NAME POSITION	YEAR OF GRANT	LTIP GRANT (FUTURE PAYMENT)			
		MINIMUM	TARGET	MAXIMUM	PAYMENT
Gianna Manes President & CEO	2017 ¹	\$0	\$792,000	\$1,584,000	
	2016 ²	\$0	\$750,750	\$1,501,500	
	2015 ³	\$0	\$750,750	\$1,501,500	\$915,915
Helen Wesley EVP & CFO	2017 ¹	\$0	\$344,000	\$688,000	
	2016 ²	\$0	\$344,000	\$688,000	
	2015 ³	\$0	\$344,000	\$688,000	\$419,680
Dale McMaster EVP Power Supply & Delivery & COO	2017 ¹	\$0	\$316,800	\$633,600	
	2016 ²	\$0	\$295,680	\$591,360	
	2015 ³	\$0	\$310,000	\$620,000	\$378,200
James McKee EVP Energy Services	2017 ¹	\$0	\$235,950	\$471,900	
	2016 ²	\$0	\$204,490	\$408,980	
	2015 ³	\$0	\$190,000	\$380,000	\$231,800
Erica Young EVP Regulatory & CLO	2017 ¹	\$0	\$240,000	\$480,000	
	2016 ²	\$0	\$240,000	\$480,000	
	2015 ³	\$0	\$113,333 ⁴	\$226,666	\$138,266

¹ Grant for 2017-2019 performance period, payable in 2020.

² Grant for 2016-2018 performance period, payable in 2019.

³ Grant for 2015-2017 performance period, payable in 2018.

⁴ Ms. Young commenced employment with ENMAX in 2016, therefore the 2015 LTIP grant amount was pro-rated to her start date.

PENSION PLAN TABLES

ENMAX Pension Plan – Defined Contribution Plan

The table below presents the benefits accumulated under the DC provision. The actual benefit payable upon retirement or termination will be the value of the employee’s DC account at the time of transfer.

NAME POSITION	ACCUMULATED VALUE AT START OF YEAR	COMPENSATORY CHANGE ¹	ACCUMULATED VALUE AT END OF YEAR ²
Gianna Manes President & CEO	\$161,236	\$17,784	\$214,953
Helen Wesley EVP & CFO	\$27,724	\$17,630	\$58,440
Dale McMaster EVP Power Supply & Delivery & COO	\$207,796	\$18,521	\$255,153
James McKee³ EVP Energy Services	\$352,777	\$16,231	\$414,730
Erica Young EVP Regulatory & CLO	\$15,357	\$17,368	\$45,240

¹ Compensatory change includes contributions made by ENMAX on the NEOs’ behalf.

² Includes employee and employer contributions with investment earnings accumulated to December 31, 2017.

³ Mr. McKee participates in the DB provision of the Supplemental Retirement Plan; as a result, his pensionable earnings under the Registered Plan are lower than for members in the DC provision of the Supplemental plan.

Defined Contribution Supplemental Retirement Plan (DC-SRP)

The table below presents the benefits accumulated under the DC-SRP. The actual benefit payable upon retirement or termination will be the value within the employee’s notional DC-SRP account at the time of termination. Please see pages 13 and 14 for more information on ENMAX’s pension plans.

NAME POSITION	ACCUMULATED VALUE AT START OF YEAR	COMPENSATORY CHANGE ¹	ACCUMULATED VALUE AT END OF YEAR ²
Gianna Manes President & CEO	\$403,751	\$86,948	\$522,780
Helen Wesley EVP & CFO	\$16,266	\$37,178	\$54,755
Dale McMaster EVP Power Supply & Delivery & COO	\$290,241	\$50,391	\$363,674
Erica Young EVP Regulatory & CLO	\$0	\$14,396	\$14,396

¹ Compensatory changes include allocations by ENMAX to the member’s DC SRP in early 2018 in respect of 2017.

² Includes notional returns on the beginning of year accumulated value and notional allocations made in early 2018 in respect of 2017.

Defined Benefit Supplemental Retirement Plan (DB-SRP)

The table below presents the projected annual retirement benefits payable from the DB-SRP at year end and upon normal retirement.

NAME	YEARS OF CREDITED SERVICE ¹	ANNUAL BENEFITS PAYABLE		OPENING PRESENT VALUE OF ACCRUED BENEFIT OBLIGATION	COMPENSATORY CHANGE	NON-COMPENSATORY CHANGE	CLOSING PRESENT VALUE OF ACCRUED BENEFIT OBLIGATION
		AT YEAR END ²	AT AGE 65 ³				
James McKee EVP Energy Services	15.2526	\$82,000	\$151,000	\$1,068,000	\$132,000	\$111,000	\$1,311,000

¹ Includes continuous service with ENMAX from date of entry into the Supplementary Plan.

² Pension earned to December 31, 2017 payable at normal retirement age (i.e. the latter of age 55 and 85 points, but not later than age 65) based on Best Average Pensionable Earnings and DB Supplemental Plan Pensionable Service as at December 31, 2017.

³ Amounts payable on retirement at age 65, assuming that service continues to age 65 and that the Best Average Pensionable Earnings remain unchanged from December 31, 2017.

EMPLOYMENT AGREEMENTS AND TERMINATION PROVISIONS

NEO Employment agreements meet or exceed the statutory requirements for termination provisions. Additional amounts to which the NEOs would be entitled upon various termination scenarios are outlined below, as per program documents or other agreements.

	RETIREMENT	RESIGNATION	TERMINATION WITH CAUSE	TERMINATION WITHOUT CAUSE	TERMINATION FOLLOWING A CHANGE OF CONTROL
Severance (per Employment Agreement or Offer Letter)	N/A	N/A	N/A	Per Employment Agreement or Offer Letter	Per Employment Agreement or Offer Letter
AVPP (per program Terms and Conditions)	Pro-rated to date of termination at target performance subject to meeting eligibility criteria	Forfeited	Forfeited	Pro-rated to date of termination at target performance	Pro-rated to date of termination at target performance
LTIP (per program Terms and Conditions)	At the discretion of the Board of Directors	Forfeited	Forfeited	Eligible for payments that would have been paid within the notice period.	Eligible for payments that would have been paid within the notice period.

THE INFORMATION CONTAINED WITHIN THIS DISCLOSURE IS AS OF DECEMBER 31, 2017, UNLESS OTHERWISE SPECIFIED.

IF YOU HAVE ANY QUESTIONS REGARDING THE ENMAX CORPORATION REPORT ON EXECUTIVE COMPENSATION, PLEASE CONTACT CORPORATE SECRETARY AT GOVERNANCE@ENMAX.COM.