

1 **Undertaking Request (U-67)**

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3 ***Transcript Reference: July 24, 2018, Pg. 165, line 14 to Pg. 168, line 5 Re: Undertaking #44***

4 Undertake to provide the reconciliation of the 5.7 for 2017 actual financial services to the
5 6.7 for 2018 test year and confirm the reason for the 2019 increase to 6.9.

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8 **Undertaking Response**

9 As referenced in U-44, the labour-related cost variance of \$1.0 million for Financial Services
10 is primarily comprised of a \$0.6 million increase associated with FTEs, progression, merit,
11 and economic adjustments. In addition, in 2017 there was \$0.4 million of labour charged to
12 capital or other lines of business. These charge-outs are non-recurring in 2018 as they were
13 primarily associated with activity related to the business systems project.

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15 Labour-related costs for Financial Services in the 2019 Test Year of \$7.0 million increased
16 by \$0.2 million from the 2018 Test Year of \$6.8 million primarily due to increases related to
17 progression, merit, economic adjustments, and benefits.