

1 Q. In CA-NLH 139 it is indicated that \$400,000.00 was paid out in 2015 in overtime for
2 Corporate Services and Regulatory Affairs. Why does Regulatory Affairs need to
3 work overtime?
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7 A. As noted in Hydro's response to CA-NLH-210, the Regulatory Affairs department
8 incurred \$50,600 in overtime in 2015. The work of the Regulatory Affairs
9 department is cyclical and deadline driven. The Regulatory Affairs team work
10 overtime in order meet critical deadlines when there is a heavy workload during key
11 regulatory processes such as General Rate Applications and Capital Budget
12 Applications. Due to a busy regulatory calendar on an ongoing basis, the Regulatory
13 Affairs department incurs overtime costs in order to meet key deadlines.

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15 For example, in 2015 in particular:

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- Hydro filed its Amended 2013 General Rate Application (GRA) in November 2014. As such, the bulk of Hydro's regulatory activities relating to this filing occurred in the 2015 calendar year. This included filing updates to 485 Requests for Information (RFIs), responding to in excess of 500 new RFIs, a public hearing which spanned 86 days, responses to 192 undertakings, a final written submission on the Amended 2013 GRA, a review by the Board's financial consultants, and oral submissions. Members of the Regulatory Affairs department were involved in all aspects of this application.
- Hydro also applied for, and received approval for, interim rates in 2015. This process required a separate application from the Amended 2013 GRA, which included preparing responses to 64 RFIs, a final submission, and implementation of new rates for all of Hydro's customers in July 2015. The July 2015 rate change

1 also included the normal Rate Stabilization Plan update for Newfoundland
2 Power. The Regulatory Affairs department was primarily responsible for all
3 aspects of the interim rates and July 1, 2015 rate change.

4 • During 2015, the Board also commenced its Prudence Review. This process
5 included a detailed audit by the Board’s financial consultants, responses to 251
6 RFIs, as well as a final written submission.

7 • The Regulatory Affairs department also coordinated the 2016 Capital Budget
8 Application, which included 169 responses to RFIs, as well as Hydro’s final
9 submission. In addition, Hydro filed six supplemental capital applications,
10 including 110 RFIs and replies for each application.

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12 Please also refer to Hydro’s response to CA-NLH-161.