

- 1 Q. **Volume 1 (1st Revision), Chapter 4: Finance**
- 2 Please provide a variance analysis of Hydro’s Total Operating Expenses by Cost Type
- 3 between Hydro’s 2016 forecast included in its Amended 2013 GRA and 2016
- 4 actuals. The variance analysis should be in a format similar to Schedule 3-IX, Page 1
- 5 of 1.
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- 8 A. Please refer to NP-NLH-090, Attachment 1 for variance explanations from the 2016
- 9 budget as well as Hydro’s response to PUB-NLH-054.

Total Operating Expenses by Cost category
\$ Millions

	2016 GRA Forecast (2013 GRA - U144)	2016 GRA Forecast Restated ¹	2016 Actual	Variance
Labour				
Labour related costs	77.7	74.0	64.4	(9.6)
Employee future benefits	8.4	8.2	6.9	(1.3)
Overtime	4.9	4.9	6.2	1.3
Total Labour	91.0	87.1	77.5	(9.6)
System Equipment and Maintenance	27.8	27.4	25.0	(2.4)
Other				
Office supplies and expenses	2.9	2.7	2.2	(0.5)
Professional services	8.8	7.2	6.7	(0.5)
Insurance	2.7	2.7	2.5	(0.2)
Equipment rentals	3.1	3.0	4.2	1.2
Travel	3.7	3.6	2.0	(1.6)
Miscellaneous expenses	5.9	5.8	5.0	(0.8)
Building rental and maintenance	1.2	1.2	1.1	(0.1)
Transportation	2.3	2.3	0.9	(1.4)
Customer costs	0.1	0.1	0.1	0.0
Total Other	30.7	28.6	24.7	(3.9)
Cost Allocations	(8.7)	(2.3)	(3.4)	(1.1)
Total operating costs	140.8	140.8	123.9	(16.9)

¹ Restated by cost type to reflect the transfer of the Information Systems department to Nalcor. No change in total costs.