

- 1 **Q. Provide the amounts included in forecast operating costs for 2019 and 2020 for**
2 **incentive and bonus payments and explain the calculation of each annual amount.**
3
4 A. The amounts included in 2019 and 2020 forecast operating costs for incentive and bonus
5 payments are approximately \$1,225,000 and \$1,250,000 respectively. These costs are
6 forecasted to increase by the Company's annual labour inflation rate.¹

¹ 2019 forecast calculation: 2018 forecast of \$1,204,000 x labour inflation rate of 1.75% = \$1,225,000.
2020 forecast calculation: 2019 forecast of \$1,225,000 x labour inflation rate of 2.00% = \$1,250,000.
See the response to Request for Information PUB-NP-007 for further information on the Company's annual labour rate inflation.