

1 **GENERAL**

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- 3 **Q. Reference: “2025/2026 General Rate Application,” Newfoundland Power Inc.,**
4 **December 12, 2023, vol. 2, Reports, “Labour Forecast 2024–2026,” sch. A to sch. C.**
- 5 **a) Please provide a breakdown of Newfoundland Power’s Workforce and Adjusted**
6 **Workforce labour expenses (operating, capital, rechargeable and recoverable)**
7 **by executive, senior management, union and non-union and by year for 2022 to**
8 **2026 Forecast including 2023 Actuals and 2022 and 2023 Test Years.**
- 9 **b) Please provide a breakdown of Newfoundland Power’s Workforce and Adjusted**
10 **Workforce Rechargeable & Recoverable labour expenses by material handling,**
11 **vehicle service, inter-affiliate labour charges, customer jobbing, and third-party**
12 **services by year for 2022 to 2026 Forecast including 2023 Actuals and 2022 and**
13 **2023 Test Years.**

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15 A. a) Newfoundland Power does not track labour costs in the requested manner. As such,
16 the information cannot be provided. Attachment A provides an overall breakdown of
17 the operating, capital and rechargeable and recoverable labour from 2022 to 2026
18 forecast.

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- 20 b) Rechargeable and recoverable (“R&R”) labour expenses include costs required for:
21 (i) time associated with removing plant from service;¹ (ii) time charged to inventory
22 and vehicle overhead accounts, which are primarily reallocated to capital projects;¹
23 and (iii) labour for third-party work.²

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25 R&R labour in the 2024 to 2026 labour forecast is based on the estimated workforce
26 requirements using historical information and does not include a specific breakdown
27 of its separate components. As such, the requested information cannot be provided for
28 the test years. R&R labour is forecast to be approximately 14% of the Company’s
29 total annual labour requirement from 2024 through 2026 forecast.

¹ R&R labour associated with removing plant from service, as well as inventory and vehicle overhead accounts, are not used to calculate the Company’s 2025 and 2026 test year revenue requirements. Test year revenue requirements for 2025 and 2026 are based on the Company’s 2024 *Capital Budget Application* approved by the Board in Order No. P.U. 2 (2024).

² R&R labour for third-party work is recovered through direct billings and not through customer rates. Therefore, these amounts are not included in revenue requirement calculations.

1 Table 1 provides the estimated percentage allocation of R&R labour as a proportion
2 of total labour for 2022 and 2023 actuals.

**Table 1:
Breakdown of R&R Labour
2022 and 2023
(%)**

	2022	2023
Retirement of Plant	7%	8%
Inventory and Vehicle Overhead	4%	3%
Third-Party Work ³	2%	2%
Total	13%	13%

³ Includes labour for third-party work and intercompany charges.

**Workforce Labour Expenses
2022 to 2026 Forecast**

Newfoundland Power Inc.
 Workforce Labour Expenses
 2022 to 2026 Forecast
 (\$000s)

	2022TY	2023TY	2022A	2023A	2023F	2024F	2025F	2026F
Operating	33,727	34,742	35,335	35,649	35,485	36,790	38,278	39,910
Capital	29,006	27,972	25,048	30,057	30,019	28,368	29,576	30,873
Rechargeable and Recoverable	8,811	8,957	8,984	9,753	9,852	10,306	10,674	11,078
Total	71,544	71,671	69,367	75,459	75,356	75,464	78,528	81,861