

1 **Section 2: Customer Operations/Operating Costs**
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3 **Q. Volume 1, Section 2, page 2-35, lines 2-6. The increase in labour costs is forecasted**
4 **to be 3.1%. The weighted labour rate inflation is forecasted to be 4.1%. What, if**
5 **any, of the 1% difference can be attributed to changes in the forecast of**
6 **Newfoundland Power’s number of employees versus changes in employee wages?**
7

8 A. The implied operating efficiency of approximately 1% per year is primarily due to
9 forecast operating labour savings associated with the enhancement of operation
10 technologies, and not due to a change in the forecast number of employees. See the
11 response to Request for Information PUB-NP-013 for further information.
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13 See the response to Request for Information PUB-NP-017 for details on Newfoundland
14 Power’s operating efficiency initiatives.¹

¹ The responses to Requests for Information PUB-NP-023 and PUB-NP-027 provide further detail on efficiency initiatives in the general and customer services functions.