

1 Q. **2017 General Rate Application - Operations**

2 Page 3.34, footnote 72 – Provide a detailed explanation of the increase in labour
 3 costs of \$4.0 million in 2017, including the change in FTEs, the salary increases given
 4 in 2017, the increase in other benefits and the increase in average salary from 2016
 5 to 2017.

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8 A. Table 1 provides a detailed explanation of the increase in labour costs of \$4.0
 9 million in 2017, including the change in FTEs, 2017 salary increases, and increase in
 10 other benefits.

Table 1 Labour Cost Increases

	Millions
Change in FTEs (+40)	\$ 4.9
Salary Increases ¹	\$ 1.6
Labour Recharges ²	\$ 0.6
Net Overtime	\$ (2.0)
Capitalized Costs	\$ (1.0)
Other Benefits ³ & Allowances	\$ 0.7
Employee Future Benefits	\$ (0.7)
Other Salary Costs	\$ (0.1)
	\$ 4.0

11 Table 2 provides an overview of the increase in average salary of \$1,842 from 2016
 12 to 2017, which equates to approximately 2.2%.

¹ Economic/Progression/Merit/Other Increase.

² Net labour charges in and out of Hydro.

³ Group Insurance, Fringe Benefits.

Table 2: Average Salary 2016 vs 2017

Year	Average Salary
2017	\$ 85,839
2016	\$ 83,997
Difference	\$ 1,842