Q. **2013 General Rate Application, Intercompany Transaction Costing Guidelines – Exhibit 8**

Page 2, line 18 - Provide a detailed schedule showing the Common Service Costs allocated by Hydro to each line of business in each year from 2007 to 2012 and the amount budgeted for 2013 to 2015, displaying the line of business, the costs allocated to the line of business by each Common Service department, and the allocation basis.

A. Please refer to PUB-NLH-169 Attachment 1.

Hydro
Common Service Costs

		Actual 2007 [1]	Actual 2008	Actual 2009	Actual 2010 [2]	Actual 2011 [4]	Actual 2012	Forecast 2013	Forecast 2014	Forecast 2015
Human Resources										
A	Costs allocated ($000s)	$ 5,161.9	$ 2,223.2	$ 2,657.5	$ 1,474.0	$ 1,465.9	$ 1,687.5	$ 1,695.0	$ 1,867.0	$ 1,920.8
	Allocator - FTE's									
B	Hydro Regulated				832.5	827.6	813.7	858.8	887.8	887.8
C	Other lines of business				429.6	462.6	493.0	556.7	604.5	604.5
D	Total				1,262.1	1,290.2	1,306.7	1,415.5	1,492.3	1,492.3
E	Costs per FTE (A / D) [3]				$ 1,168	$ 1,136	$ 1,291	$ 1,197	$ 1,251	$ 1,287
	Allocations ($000s)									
F	Hydro Regulated (B * E) [3]	$ 5,099.8	$ 2,182.5	$ 2,613.2	$ 972.2	$ 940.3	$ 1,050.8	$ 1,028.4	$ 1,110.7	$ 1,142.7
G	Other lines of business (C * E) [3]	$ 62.1	$ 40.7	$ 44.3	$ 501.8	$ 525.6	$ 636.7	$ 666.6	$ 756.3	$ 778.1
	Total	$ 5,161.9	$ 2,223.2	$ 2,657.5	$ 1,474.0	$ 1,465.9	$ 1,687.5	$ 1,695.0	$ 1,867.0	$ 1,920.8
Safety and Health										
A	Costs allocated ($000s)	$ 645.8	$ 647.0	$ 714.4	$ 829.5	$ 901.0	$ 923.7	$ 1,001.6	$ 981.4	$ 1,008.5
	Allocator - FTE's									
B	Hydro Regulated				832.5	827.6	813.7	858.8	887.8	887.8
C	Other lines of business				429.6	462.6	493.0	556.7	604.5	604.5
D	Total				1,262.1	1,290.2	1,306.7	1,415.5	1,492.3	1,492.3
E	Costs per FTE (A / D) [3]				$ 657	$ 698	$ 707	$ 708	$ 658	$ 676
	Allocations ($000s)									
F	Hydro Regulated (B * E) [3]	$ 645.8	$ 647.0	$ 704.4	$ 547.1	$ 578.0	$ 575.2	$ 607.7	583.9	600.0
G	Other lines of business (C * E) [3]	$ -	$ -	$ 10.0	$ 282.4	$ 323.0	$ 348.5	$ 393.9	397.6	408.5
	Total	$ 645.8	$ 647.0	$ 714.4	$ 829.5	$ 901.0	$ 923.7	$ 1,001.6	981.4	1,008.5

Hydro

Common Service Costs

		Actual 2007 [1]	Actual 2008	Actual 2009	Actual 2010 [2]	Actual 2011 [4]	Actual 2012	Forecast 2013	Forecast 2014	Forecast 2015
	Information Systems [6]									
A	Costs allocated ($000s)	$ 4,784.9	$ 5,046.7	$ 4,447.3	$ 4,847.1	$ 4,964.3	$ 6,984.7	$ 7,632.9	$ 6,607.4	$ 6,688.8
	Allocator - Average user									
B	Hydro Regulated				844.4	872.4	912.7	885.7	926.5	926.5
C	Other lines of business				478.1	463.4	511.0	516.2	589.1	589.1
D	Total				1,322.5	1,335.8	1,423.7	1,401.9	1,515.6	1,515.6
E	Costs per Average user (A / D) [3]				$ 3,665	$ 3,716	$ 4,906	$ 5,445	$ 4,360	$ 4,413
	Allocations ($000s) [7]									
F	Hydro Regulated (B * E) [3]	$ 3,983.4	$ 4,083.9	$ 3,247.9	$ 3,095.0	$ 3,242.2	$ 4,477.7	$ 4,822.5	$ 4,039.2	$ 4,089.0
G	Other lines of business (C * E) [3]	$ 801.5	$ 962.8	$ 1,199.5	$ 1,752.1	$ 1,722.2	$ 2,507.0	$ 2,810.4	$ 2,568.1	$ 2,599.8
	Total	$ 4,784.9	$ 5,046.7	$ 4,447.3	$ 4,847.1	$ 4,964.3	$ 6,984.7	$ 7,632.9	$ 6,607.4	$ 6,688.8
	Office Space									
A	Costs allocated ($000s)					$ 3,903.7	$ 4,178.4	$ 4,616.4	$ 3,968.1	$ 4,005.1
	Allocator - Square Footage [5]									
B	Hydro Regulated	134,941	128,331	120,391	117,530	117,802	86,108	86,108	84,674	84,674
C	Other lines of business	12,159	18,769	26,709	29,570	29,298	66,393	66,393	67,827	67,827
D	Total	147,100	147,100	147,100	147,100	147,100	152,501	152,501	152,501	152,501
E	Costs per square footage (A / D) [3]	$ 16.00	$ 16.00	$ 16.00	$ 16.00	$ 26.54	$ 27.40	$ 30.27	$ 25.99	$ 26.26
	Allocations ($000s) [7]									
F	Hydro Regulated (B * E)					$ 3,126.2	$ 2,359.3	$ 2,606.6	$ 2,200.6	$ 2,223.7
G	Other lines of business (C * E)	$ 194.5	$ 300.3	$ 427.3	$ 473.1	$ 777.5	$ 1,819.1	$ 2,009.8	$ 1,762.8	$ 1,781.3
	Total	$ 194.5	$ 300.3	$ 427.3	$ 473.1	$ 3,903.7	$ 4,178.4	$ 4,616.4	$ 3,963.3	$ 4,005.1

Hydro
Common Service Costs

		Actual 2007 [1]	Actual 2008	Actual 2009	Actual 2010 [2]	Actual 2011 [4]	Actual 2012	Forecast 2013	Forecast 2014	Forecast 2015
LANS										
A	Costs allocated ($000s)				$ 195.3	$ 195.3	$ 195.3	$ 186.0	$ 190.1	$ 194.8
	Allocator - LANS									
B	Hydro Regulated				807.2	795.8	736.9	1,010.1	953.8	953.8
C	Other lines of business				176.8	188.2	247.1	230.9	287.2	287.2
D	Total				984.0	984.0	984.0	1,241.0	1,241.0	1,241.0
E	Costs per LAN (A / D) [3]				$ 198	$ 198	$ 198	$ 150	$ 153	$ 157
	Allocations ($000s)									
F	Hydro Regulated (B * E) [3]				$ 160.2	$ 157.9	$ 146.2	$ 151.4	$ 146.1	$ 149.7
G	Other lines of business (C * E) [3]				$ 35.1	$ 37.4	$ 49.1	$ 34.6	$ 44.0	$ 45.1
	Total				$ 195.3	$ 195.3	$ 195.3	$ 186.0	$ 190.1	$ 194.8
Telephones										
A	Costs allocated ($000s)				$ 223.8	$ 223.8	$ 223.8	$ 236.1	$ 241.3	$ 246.5
	Allocator - Telephones									
B	Hydro Regulated				573.2	561.8	502.9	449.1	392.8	392.8
C	Other lines of business				176.8	188.2	247.1	230.9	287.2	287.2
D	Total				750.0	750.0	750.0	680.0	680.0	680.0
E	Costs per telephone (A / D) [3]				$ 298	$ 298	$ 298	$ 347	$ 355	$ 362
	Allocations ($000s)									
F	Hydro Regulated (B * E) [3]	$ -	$ -	$ -	$ 171.0	$ 167.7	$ 150.1	$ 156.0	$ 139.4	$ 142.4
G	Other lines of business (C * E) [3]	$ 9.1	$ 20.5	$ 42.9	$ 52.8	$ 56.1	$ 73.7	$ 80.2	$ 101.9	$ 104.1
	Total	$ 9.1	$ 20.5	$ 42.9	$ 223.8	$ 223.8	$ 223.8	$ 236.1	$ 241.3	$ 246.5

Hydro
Common Service Costs

	Actual 2007 [1]	Actual 2008	Actual 2009	Actual 2010 [2]	Actual 2011 [4]	Actual 2012	Forecast 2013	Forecast 2014	Forecast 2015
Other ($000s)									
Accounting	$ 10.0	$ 29.8	$ 35.0	$ -	$ -	$ -	$ -		
Purchasing	$ 439.8	$ 455.1	$ 408.1	$ -	$ -	$ -	$ -		
Miscellaneous	$ -	$ -	$ -	$ (9.1)	$ 2.1	$ 2.4	$ 13.4	-	
Total	$ 449.8	$ 484.9	$ 443.1	$ (9.1)	$ 2.1	$ 2.4	$ 13.4	-	-
Total Admin fee	**$ 1,517.1**	**$ 1,809.2**	**$ 2,167.1**	**$ 3,088.1**	**$ 3,443.9**	**$ 5,436.6**	**$ 6,009.0**	**$ 5,630.6**	**$ 5,716.9**

Notes

1. 2007 costs included costs that are not part of the existing Common Services Business Unit.
2. 2010 was the first year of the new Admin fee methodology.
3. Calculations in E, F and G begin in 2010 except in the Office Space Rental which begins in 2011.
4. 2011 is the first year of the new Admin fee methodology whereby rental rate was a cost based rate.
5. Square Footage changed in 2012 to include common space (ie. main lobby, meeting rooms, etc).
6. 2012 is the first year that depreciation and interest on IS assets is included.
7. Allocations in 2011 were understated by $2K; in 2012 overstated by $342K and overstated by $284K in 2013 Forecast. Please refer to PUB-NLH-192 Attachment 1 and PUB-NLH-200 Attachment 1 for additional information.