

Q. **Reference: Application, Schedule 1, Table 1.**

Please complete the following table to detail Hydro's overhead capitalization amounts for each of 2025 forecast and 2026 forecast associated with the general expenses to be capitalized as part of this Application, as well as to provide Hydro's capitalization percentages associated with those general expenses. Please also include estimates for 2019 (the year of the utility survey results) if Hydro's proposed methodology was used for that year.

	2025 Forecast	2026 Forecast	2019 Estimated
Major Projects			
Engineering Services			
Regulatory Affairs			
Supply Chain			
Finance, Human Resources and Information Services			
Production Operations			
Transmission and Rural Operations			
Total General Expenses Capitalized			
Capital Spend			
General Expenses Capitalized Rate			

A. Please refer to Table 1 below detailing Newfoundland and Labrador Hydro's ("Hydro") overhead capitalization amounts for 2025 forecast, 2026 forecast and 2019 test year which has been provided as an estimate for 2019, as well as Hydro's capitalization percentages associated with general expenses.

Table 1: Overhead Capitalization Amounts¹

	2025 Forecast²	2026 Forecast³	2019 Test Year⁴
Major Projects ⁵	\$1,255,951	\$1,275,584	-
Engineering Services	\$994,461	\$1,070,406	\$998,991
Regulatory Affairs	\$461,293	\$475,302	\$380,779
Supply Chain	\$770,940	\$808,448	\$565,686
Finance, Human Resources and Information Services	\$1,871,286	\$1,990,420	\$1,526,816
Production Operations	\$989,565	\$1,045,995	\$934,904
Transmission and Rural Operations	\$408,498	\$428,523	\$375,181
Total General Expenses Capitalized	\$6,751,994	\$7,094,677	\$4,782,356
Capital Spend^{6,7}	\$288,923,994	\$301,694,677	\$169,607,793
General Expenses Capitalized Rate	2.3%	2.4%	2.8%

¹ Numbers may not add due to rounding.

² The 2025 forecast Total General Expenses Capitalized is based on the 2025 Budget as approved by the Board of Directors.

³ The 2026 forecast is based on an estimate at a point in time; the budget process is ongoing and has not yet been approved by the Board of Directors; therefore, the 2026 forecast is subject to change.

⁴ 2019 Test Year General Expenses Capitalized is an estimate calculated using the current departmental structure Operations and Maintenance Labour Costs based on the 2019 Test Year budget multiplied by the overhead capitalization rates in paragraph 17 of the application.

⁵ Major Projects department did not exist in the 2019 Test Year, and as a result, the amount in Table 1 is \$nil.

⁶ Capital Spend for 2025 forecast is based on the Capital Budget by Board Order as of June 30, 2025, draft information available at the time of the Application plus Total General Expenses Capitalized.

⁷ Capital Spend for 2026 forecast is based on the Anticipated 2026 Capital Expenditures included in Table 1 of the 2026 Capital Budget Application plus Total General Expenses Capitalized. The 2026 Capital Budget Application is yet to be approved and is therefore subject to change.