

1 **Q. Reference: NP-NLH-006, Issue Topic: Intercompany Transaction Costing Guidelines.**

2 Please extend Tables 1 and 2 to include a full-time equivalent (“FTE”) related to the total
3 columns. Please also include the 2019 test year in the extended table.

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6 **A. Labour costs charged to Newfoundland and Labrador Hydro (“Hydro”) Regulated by Non-**
7 Regulated are presented in Table 1. Hydro notes that the actual costs presented in Table 1 and
8 Table 2 include overtime hours¹ and include additional costs associated with recharge to and
9 from affiliates (i.e., bill rate).

10 To be responsive to this request, Hydro has included an estimate of full-time equivalents (“FTE”)
11 for each year, based on a simple calculation of total cost divided by an average annual salary
12 amount. The methodology used within this response is inconsistent with how Hydro calculates
13 its net FTEs;² therefore, these figures are not comparable to other FTEs presented in Hydro’s
14 responses to NP-NLH-034 or PUB-NLH-022 of this proceeding.

¹ Overtime is billed at 1, 1.5 or 2 times the hourly rate as applicable.

² Net FTEs are regulated, Hydro-based employees plus time charged to regulated Hydro, less the time charged from regulated Hydro to the non-regulated lines of business.

Table 1: Charges from Affiliates (\$000)³

Year	Exploits/Menihek/ Non-Regulated Hydro	Churchill Falls	Energy Marketing	Total	Estimated FTE⁴
2019 Test Year	260	1,114	-	1,374	8.9
2019 Actuals	342	908	-	1,250	8.3
2020 Actuals	521	680	-	1,201	7.9
2021 Actuals	872	492	-	1,364	8.9
2022 Actuals	1,915	501	-	2,416	15.5
2023 Actuals	2,887	435	-	3,321	21.3
2024 Actuals	4,004	472	76	4,552	27.3
2025 Actuals	4,120	443	-	4,563	25.8
2026 Forecast	2,640	646	-	3,286	18.6
2027 Test Year	2,714	665	-	3,379	18.4

- 1 Labour costs charged by Hydro Regulated to Non-Regulated are presented in Table 2. Hydro has
2 used the same methodology to provide an estimated FTE based on the average salary.

Table 2: Charges to Affiliates (\$000)⁵

Year	Exploits/Menihek/ Non-Regulated Hydro	Churchill Falls	Energy Marketing	Lower Churchill	Oil & Gas and Bull Arm Fabrication	Total	Estimated FTE⁶
2019 Test Year	(1,771)	(650)	(20)	-	(61)	(2,503)	(16.3)
2019 Actuals	(3,574)	(419)	(9)	(1,285)	(25)	(5,312)	(35.4)
2020 Actuals	(2,781)	(556)	(9)	(1,178)	(12)	(4,536)	(29.8)
2021 Actuals	(2,874)	(573)	(14)	(1,216)	(1)	(4,677)	(30.5)
2022 Actuals	(3,480)	(376)	(41)	(242)	(0)	(4,140)	(26.6)
2023 Actuals	(3,071)	(342)	(74)	(502)	(5)	(3,993)	(25.6)
2024 Actuals	(3,786)	(594)	(99)	(635)	(0)	(5,114)	(30.6)
2025 Actuals	(4,801)	(639)	(167)	(708)	(4)	(6,318)	(35.7)
2026 Forecast	(2,929)	(504)	(138)	(531)	-	(4,102)	(23.2)
2027 Test Year	(2,660)	(519)	(143)	(547)	-	(3,868)	(21.1)

³ Labour actuals charged to Regulated Hydro from non-regulated entities for operating only, including regular and overtime hours.

⁴ The estimated FTEs presented in this response were derived using average annual salary. As a result, these estimates are not directly comparable to FTE figures referenced elsewhere within the 2026 General Rate Application ("GRA").

⁵ Labour actuals charged out of Regulated Hydro to other non-regulated entities for operating and capital, including regular and overtime hours.

⁶ The estimated FTEs presented in this response were derived using average annual salary. As a result, these estimates are not directly comparable to FTE figures referenced elsewhere within the 2026 GRA.