

1 Q. **Reference: NP-NLH-034, Issue Topic: Operating Efficiencies.**

2 Please describe the decreased work requirements for the Executive Leadership Hydro function
3 resulting in a decrease in FTEs from 5.3 FTEs in 2024 to 3.5 FTEs in 2027 test year.

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6 A. In 2025, four positions within the Newfoundland and Labrador Hydro (“Hydro”) Executive team,
7 including the Chief Executive Officer, Chief Financial Officer, Chief Legal Counsel, and the Vice
8 President, People and Corporate Services, were moved to an administration fee model.
9 Therefore, the time that would have been recharged to Hydro’s regulated business segment and
10 incurred as labour cost/net full-time equivalents is now incurred as an administration fee within
11 cost allocations.