

1 **Q. It was stated at the Technical Conference that generally, labour costs associated**
2 **with projects that provide benefits extending for more than a year are capitalized.**
3 **Is this standard comparable to the standard used at Hydro? How does the**
4 **capitalized labour component of NP costs compare to those at Hydro in percentage**
5 **terms?**
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7 **A.** The discussion that took place during the technical conference held on November 14,
8 2019 was neither recorded nor transcribed. Unless expressly indicated in the response to
9 this Request for Information, Newfoundland Power is not to be taken to have adopted the
10 wording of any statement attributed to it in the question.
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12 The Company has not conducted an analysis of Hydro's accounting practices under
13 International Financial Reporting Standards ("IFRS") or Hydro's compliance with Board
14 orders related to its accounting practices. For this reason, Newfoundland Power is not in
15 a position to meaningfully comment on Hydro's capitalization practices, nor to provide
16 comparisons between its capitalization practices and Hydro's, including with respect to
17 capitalized labour amounts.