

- 1 **Q. (Reference CA-NP-098)**
2 **Does NP have any measure or indication of any labour productivity**
3 **improvement over time for its estimates of the cost of internal labour used in**
4 **its capital programs and projects?**
5
- 6 A. Newfoundland Power's 2025 forecast internal labour costs are the cumulative result of
7 its labour efficiencies over time. The Company's labour efficiencies are outlined in its
8 general rate application filings and are underpinned by the capital investments outlined
9 in its past capital budget applications.¹
10
- 11 Newfoundland Power's 2025 capital programs and projects include the 2025 forecast
12 labour costs necessary to complete the justified work to continue to provide safe,
13 reliable and efficient service to its customers, consistent with its legislative
14 requirements.²
15
- 16 Newfoundland Power's approach to operating in an efficient manner and maintaining the
17 system with justified capital investment as outlined in its annual capital budget filings
18 contributes to the delivery of least-cost service to customers, as recognized by the
19 Board.³

¹ See, for example, the response to Request for Information PUB-NP-017 filed as part of the Company's *2025/2026 General Rate Application*.

² See, for example, section 37 of the *Public Utilities Act*, which requires a public utility to provide service and facilities which are reasonably safe and adequate and just and reasonable.

³ In Order No. P.U. 7 (2002-2003), the Board stated at page 31: "*From a regulatory perspective, efficient operations, fully justified capital expenditures and a low cost capital structure all combine to minimize revenue requirement, and hence provide least cost electricity to ratepayers.*"