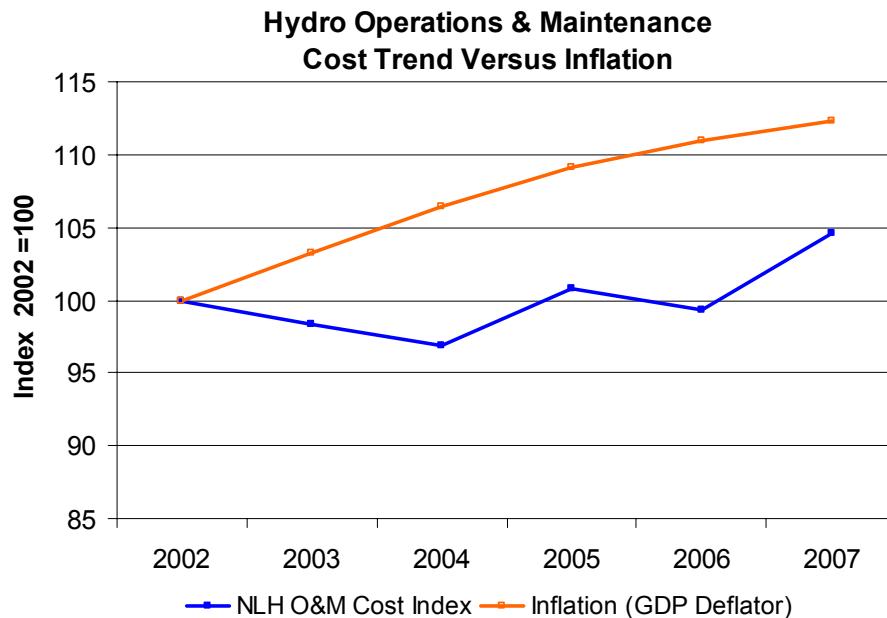


Chart 5

4.1.1 Workforce and Process Management

Approximately 64% of Hydro's operating and maintenance costs for 2007 are related to labour. Through attrition, operating and process improvements, as well as technological investments, Hydro's regulated activities' workforce has been reduced by 53 full-time equivalents since 2003. Despite this, there is still a 7% increase in labour costs from the 2004 to the 2007 Test Year.

Chart 6**Hydro's FTE 2003-2005**