



Grant Thornton

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March 24, 2016

Dear Ms. Blundon,

Re: 2016/2017 General Rate Application

It has come to our attention that there was an error in Table 23: "Salary Cost per Full Time Equivalent" contained on page 39 of our report. There was an error in the calculation of "Average Salary per FTE" and the resulting percent increase. We have highlighted the numbers and percentages that have changed.

Attached are 12 copies of the revised table.

We apologize for any inconvenience this has caused.

If you have any questions or concerns, please contact the undersigned by email at Steve.Power@ca.gt.com or call 709-778-8835.

Yours sincerely,
Grant Thornton LLP

Steve Power, CPA, CA
Partner
/tb

As part of our review we completed an analysis of the average salary per FTE, including and excluding executive compensation (base salary and STI). The results of our analysis for 2013 to forecast 2017 are included in the table below:

Table 23: Salary Cost per Full Time Equivalent

(000's)	Salary Cost Per FTE				
	Actual 2013	Actual 2014	Forecast 2015	Forecast 2016	Forecast 2017
Salary costs	\$59,784	\$62,275	\$63,701	\$66,286	\$67,445
Benefit costs (net)	(7,502)	(7,448)	(7,618)	(7,927)	(8,066)
Other adjustments	(571)	(646)	(609)	(629)	(649)
Base salary costs	51,711	54,181	55,474	57,730	58,730
Less: executive compensation	(1,893)	(1,932)	(1,794)	(1,646)	(1,687)
Base salary costs (excluding executive)	\$49,818	\$52,249	\$53,680	\$56,084	\$57,043
FTE's (including executive members)	656	665	661	665	652
FTE's (excluding executive members)	652	661	657	661	648
Average salary per FTE	\$79	\$81	\$84	\$87	\$90
% increase		3.36%	3.01%	3.44%	3.76%
Average salary per FTE (excluding executive members)	\$76	\$79	\$82	\$85	\$88
% increase		3.45%	3.36%	3.85%	3.75%

In the "Labour Forecast 2015-17" report, the Company has noted that the 2016 and 2017 salary increase is based on a weighted average salary increase of 3.25 percent.