

1 **Undertaking Request (U-41)**

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3 *Transcript Reference: Monday, July 16, 2018, Pg. 68, line 22 to Pg. 75, line 7*

4 **Re: Undertaking #2**

5 Undertake to provide the final 2017 operating costs budget. *(In a format similar to PUB-*
6 *NLH-054, if possible. Showing what the budget for 2017 was, versus just the actual dollar*
7 *figure. Show the breakdown.)*

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10 **Undertaking Response**

11 Please refer to U-41, Attachment 1 for 2017 final operating cost budget. Please note that
12 the final budget for 2017 reflects the removal of operating costs associated with Exploits
13 and includes additional budget reductions that were made early in 2017.

Newfoundland and Labrador Hydro
Total Operating Expenses by Cost Type
 \$ thousands

	<u>2017 Budget ¹</u>	<u>2017 Actual</u>	<u>Variance</u>
Labour			
Labour related costs	71,108	68,328	(2,780)
Employee future benefits	10,586	6,282	(4,304)
Overtime	4,182	6,972	2,790
Total Labour	<u>85,876</u>	<u>81,582</u>	<u>(4,294)</u>
System Equipment and Maintenance	25,694	25,791	97
Other			
Office supplies and expenses	2,307	2,118	(189)
Professional services	7,846	6,142	(1,704)
Insurance	3,038	3,175	137
Equipment rentals	3,591	3,817	226
Travel	2,442	2,412	(30)
Miscellaneous expenses	5,643	5,447	(196)
Building rental and maintenance	1,077	1,164	87
Transportation	959	1,009	50
Customer costs	118	86	(32)
Total Other	<u>27,021</u>	<u>25,370</u>	<u>(1,651)</u>
Cost Allocations	<u>51</u>	<u>(2,530)</u>	<u>(2,581)</u>
Total Operating costs	<u><u>138,642</u></u>	<u><u>130,213</u></u>	<u><u>(8,429)</u></u>

¹ Budget as per U#2	\$ 153.3
Exploits operating costs	(9.8)
Budget Reductions	(4.9)
Final Budget 2017	<u><u>\$ 138.6</u></u>