

- 1 Q. Please provide the detailed current budgets/Long Range Plan department expenses
2 for 2019 to 2023 for:
- 3 a. All of the functions ultimately reporting to the Nalcor CFO; and
 - 4 b. All of the functions ultimately reporting to the Power Supply CFO.
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- 7 A. a. Please refer to PUB-Nalcor-195, Attachment 1 for 2019 budgeted
8 department expenses for all functions reporting to the Nalcor CFO. Nalcor's
9 forecasts for 2020-2023 are performed on a line of business basis and not by
10 function or department.
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- 12 b. Please refer to PUB-Nalcor-195, Attachment 2 for 2019 budgeted department
13 expenses for all functions reporting to the Power Supply CFO. Nalcor's forecasts
14 for 2020-2023 are performed on a line of business basis and not by function or
15 department.

PUB-Nalcor-195, Attachment 1
Rate Mitigation Options and Impacts Reference, Page 1 of 1

PUB - Nalcor - 195(a) <i>(thousands of Canadian dollars)</i>	Insurance	Enterprise Risk Management	Financial Planning & Treasury	Finance	Business Systems & Information Systems	Total Budget 2019
Operating Costs						
Salaries and benefits expense	406	453	1,299	1,835	6,525	10,518
Memberships, subscriptions and dues	9	3	108	23	2,080	2,223
System Equipment Maintenance	1	-	8	1	366	376
Office Supplies, Memberships and Miscellaneous	1	-	6	1	7	15
Professional Services	50	-	85	374	1,059	1,568
Insurance	75	-	-	-	-	75
Equipment Rentals	1	-	-	-	19	20
Utilities	5	5	9	8	108	135
Travel	5	-	6	1	10	22
Training	3	-	13	7	200	223
Advertising, Donations & Community Involvement	-	-	-	-	-	-
Building Rental & Maintenance	-	-	-	-	1	1
Gross Operating Costs	556	461	1,534	2,250	10,375	15,176
Labour Recharge	(311)	(120)	(60)	(19)	(1,741)	(2,251)
Cost Recoveries	1	-	-	1,308	(10,339)	(9,030)
Net Operating Costs	246	341	1,474	3,539	(1,705)	3,895

The above table excludes functional departments reporting to the Power Supply CFO who ultimately reports to the Nalcor CFO. These functional departments are reported in PUB-Nalcor-195(b).

The Insurance, Enterprise Risk Management, Financial Planning & Treasury, Business System & Information System and the tax and financial systems departments within Finance are shared service departments that provide services to the other Nalcor subsidiaries or departments in order to create efficiencies across the group of companies. Providing these shared services, in most cases, prevents Nalcor subsidiaries and other departments from having to hire similar professionals or incur additional costs with respect to these functions. Gross expenses are incurred by these departments and are then recovered through labour recharge or cost recoveries (admin fees) as services are provided.

Some of the departments hold operating expenditures which are applicable to the business as a whole. These expenses are included above in various cost categories. For example, Audit expense for Nalcor, which amounts to \$255K is included in the Professional services category for Finance.

PUB - Nalcor - 195	(A)	(B)	(C)	(D)	Total Budget
<i>(thousands of Canadian dollars)</i>	NEM Finance	CF Finance	CF Business & Commercial	LCP Finance	2019
Operating Costs					
Salaries and benefits expense	421	1,316	210	1,157	3,103
Memberships, subscriptions and dues	4	5	2	-	10
System Equipment Maintenance	-	3	1	-	4
Office Supplies, Memberships and Miscellaneous	1	4	2	-	7
Professional Services	-	-	450	-	450
Insurance	-	-	-	-	-
Equipment Rentals	0	-	-	-	0
Utilities	3	4	-	-	7
Travel	-	8	21	-	28
Training	3	11	-	-	14
Advertising, Donations & Community Involvement	-	-	-	-	-
Building Rental & Maintenance	1	0	-	-	1
Gross Operating Costs	433	1,351	685	1,157	3,625
Capital Recharge	-	-	-	(1,157)	(1,157)
Labour Recharge	(434)	(1,120)	-	-	(1,554)
Cost Recoveries	-	(25)	-	-	(25)
Net Operating Costs	(1)	206	685	-	890

The table above includes all functional departments reporting to the Power Supply, VP Finance, who ultimately reports to the Nalcor CFO.

- (A) NEM Finance costs are those incurred in Nalcor Energy and recharged to Nalcor Energy Marketing company.
- (B) CF Finance costs are those incurred in Nalcor Energy and recharged to Churchill Falls (Labrador) Corporation with the exception of one FTE who resides in CF(L)Co.
- (C) CF Business & Commercial includes external consultant costs for support in activities including administering current contracts, legislative compliance and other commercial matters. These costs reside within CF(L)Co.
- (D) LCP Finance includes budgeted salaries and benefits for seconded Nalcor employees which are recharged to the capital project. All other costs related to these employees and contracted finance staff are directly charged to the capital project and are not presented in the table above. As the LCP assets transition into operations, the secondee costs will transition to operating costs and a full finance staffing compliment is intended to be employed.