

- 1 Q. Re: NLH Capital Budget 2018 – Tab 31, p. 1 – Upgrade to Hydro Place - \$665,000
- 2 (a) Who owns the Hydro Place building?
- 3 (b) What corporate entities occupy the Hydro Place building?
- 4 (c) What portion of the Hydro Place building is occupied by NL Hydro? What
- 5 portion of the Hydro Place building is occupied by Nalcor? What portion of
- 6 the Hydro Place building is occupied by other corporate entities?
- 7 (d) Please provide particulars as to why NL Hydro is seeking funds from
- 8 ratepayers for a building that is also occupied by Nalcor?
- 9 (e) Are there leases in place pertaining to space occupied by various entities in
- 10 Hydro Place?
- 11 (f) How is the space allocated?
- 12 (g) What payment schemes are in place for the various occupant entities?
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- 14
- 15 A. (a) Hydro Place is owned by Newfoundland and Labrador Hydro.
- 16
- 17 (b) Hydro Place is occupied by Newfoundland and Labrador Hydro, as well as
- 18 Nalcor Energy, and other subsidiaries of Nalcor Energy (Energy Marketing,
- 19 Oil and Gas, Bull Arm Fabrication, Menihek Generation, and the Lower
- 20 Churchill Project).

1 (c) The occupied space as of June 30, 2017 date for 2017 is outlined below:

Line of business	Square Footage ¹
Newfoundland and Labrador Hydro	80,904
Nalcor Energy	46,146
NE - Energy Marketing	5,335
NE - Oil and Gas	16,873
NE - Bull Arm Fabrication	959
NE - Menihek Generation	908
NE - Transition to Operations	454
NE - Lower Churchill Project	922

2 (d) Newfoundland and Labrador Hydro manages and maintains Hydro Place and
3 accordingly has requested funds for planned capital work as part of the
4 normal capital budgeting process. Nalcor companies are charged a cost-
5 based rental rate for its use of Hydro Place.

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7 (e) The process for recovering costs as a result of space occupied is outlined in
8 Hydro's Intercompany Transaction Costing Guidelines that were filed with
9 the Board as part of the 2013 Amended and 2017 GRAs. These guidelines
10 govern the charges and space allocation among Hydro and the other Nalcor
11 companies.

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13 (f) Space is allocated based on square footage occupied plus an allocation to
14 cover shared common space.

¹ Includes allocation for common space.

- 1 (g) Payments are made on a monthly basis by Nalcor companies for the fee
- 2 charged.