IN THE MATTER OF the *Public Utilities Act*, R.S.N.L. 1990, Chapter P-47 (the "Act")

AND IN THE MATTER OF an Application by Newfoundland and Labrador Hydro for an Order approving: (1) its 2009 capital budget pursuant to s.41(1) of the Act; (2) its 2009 capital purchases, and construction projects in excess of $50,000 pursuant to s.41 (3) (a) of the Act; (3) its leases in excess of $5,000 pursuant to s.41 (3) (b) of the Act; and (4) its estimated contributions in aid of construction for 2009 pursuant to s.41 (5) of the Act and for an Order pursuant to s. 78 of the Act fixing and determining its average rate base for 2009.

CONSUMER ADVOCATE'S INFORMATION REQUESTS

To: Board of Commissioners of Public Utilities
Suite E210, Prince Charles Building
120 Torbay Road
P.O. Box 12040
St. John's, NL A1A 5B2
Attention: Ms. G. Cheryl Blundon,
Director of Corporate Services and Board Secretary

Reference	2009 Capital Plan	p. 15

INSTALLATION OF LOW NOx BURNERS

Q. The following appears at page 15 of NLH's Capital Plan;

> **"Install Low NO_x Burners (2010 – 2013):** In recent years Hydro has reduced the stack emissions from the Holyrood facility by burning fuel with lower sulphur content. This cleaner fuel does not reduce **NO_x** emissions (oxides of Nitrogen) emissions. It is anticipated that Hydro may be required to address its **NO_x** emissions regardless of whether the Lower Churchill project is sanctioned in 2009."

a) What is the basis for NLH's conclusion that it may be required to address NOx emissions, regardless of the status of the Lower Churchill infeed?

b) Does NLH anticipate that it will become subject to a legislative requirement to address these emissions within the next five (5) years, and if so, why?

c) Have any reports been produced which address the public health effects of these emissions?

d) If the answer to (c) is in the affirmative, please provide a copy of same.

Reference	**2009 Capital Plan**	**p. 16**

CARPENTRY SHOP - HOLYROOD

Q a) How long has the carpentry shop at the Holyrood Generating Station been situated in a location adjacent to an operating unit?

b) Have there been any reported accidents or injuries which NLH has determined to be occasioned by the location of the carpentry shop adjacent to an operating unit?

c) When did NLH first determine that the present location of the carpentry shop constituted a potential danger to staff?

Reference	2009 Capital Plan	p. 16

FAN WEATHER HOODS

Q a) How long have the existing fans operated without weather hoods?

b) Have there been any reported illnesses or injuries which NLH has determined to be occasioned by the operation of the fans without weather hoods?

c) When did NLH first determine that the operation of the fans without weather hoods constituted a potential danger to staff?

d) Have any reports been produced which address the health effects of the operation of the fans without weather hoods?

e) If the answer to (d) is in the affirmative, please provide a copy of same.

Reference	2009 Capital Plan	p. 17

SOOT BLOWING CONTROLS - HOLYROOD

Q The following quote appears at Page 17 of the 2009 Capital Plan;

> "In recent years Hydro has reduced the stack emissions from the Holyrood facility by moving to cleaner oil, with lower sulphur content. Experience with other thermal plants has indicated that utilizing more sophisticated controls for the soot blowing equipment can reduce particulate emission concentrations. It is anticipated that Hydro may be required to address particulate emissions whether or not the Lower Churchill project is sanctioned."

a) What is the basis for NLH's conclusion that it may be required to address particulate emissions, regardless of the status of the Lower Churchill infeed?

b) Does NLH anticipate that it will become subject to a legislative requirement to address these emissions within the next five (5) years, and if so, why?

c) Have any reports been produced which address the public health effects of these emissions?

d) If the answer to (c) is in the affirmative, please provide a copy of same.

Reference	2009 Capital Projects: $500,000 and Over	p. B-4

PURCHASE OF SPARE STATOR WINDING

Q a) Have there been any stator winding failures at Bay D'Espoir since 2000?

b) Have there been any stator winding repairs at Bay D'Espoir since 2000?

c) Have NLH's inspections of the existing stator windings disclosed any specific cause for preventative maintenance, required by the condition of, or an actual or perceived defect in, the existing windings?

d) Has NLH maintained spare stator windings at the Bay D'Espoir station in the past, and if so, during what time period?

Reference	2009 Capital Projects: $500,000 and Over	p. B-2

HOLYROOD FUEL STORAGE FACILITY

At page B-3, NLH submits that the proposed upgrades will refurbish the "life of the facility for a further twenty years."

Q (a) In the event Holyrood operates as a synchronous condenser following a HVDC infeed from the Lower Churchill Project, will the facility still consume any fuel and if so, approximately how much?

(b) Why is this project classified as 'normal' rather than 'mandatory'?

(c) Other than the Gasoline and Associated Products Regulations referenced at Volume II, Tab 1, Page 12, what other federal or provincial regulations have potential bearing on the issue of fuel storage at Holyrood, and is NLH currently in compliance with them?

(d) Has NLH experienced oil leaks or spills from the Holyrood Tank Farm, and if so, when?

Reference	2009 Capital Projects: $500,000 and Over	p. B-6

25 KV TERMINAL STATIONS - LABRADOR CITY

Q a) Has NLH estimated the cost of dismantling the older terminal stations in Labrador City, and if so, what is the estimate?

b) Why is the estimate of dismantling costs not included within the overall cost estimate for the construction of the new 25KV stations for Labrador City?

Reference	2009 Capital Projects: $500,000 and Over	p. B-11

SERVICE EXTENSIONS - ALL AREAS

Q a) Is the amount of $230,000.00 identified under the heading of 'contingency' at Page B-11 a separate contingency estimate from the 'contingency fund' of $1,000,000.00 identified at Page A-2?

b) What is the basis of the calculation of the contingency estimate as provided on page B-11?

Reference	**2009 Capital Projects: $500,000 and Over**	**p. B-13**

WOOD POLE LINE MANAGEMENT PROGRAM

Q a) Is the amount of $185,600.00 identified under the heading of 'contingency' at Page B-13 a separate contingency estimate from the 'contingency fund' of $1,000,000.00 identified at Page A-2?

b) What is the basis of the calculation of the contingency estimate as provided on page B-13?

Reference	2009 Capital Projects: $500,000 and Over	p. B-17

REPLACEMENT OF DIESEL UNITS

Q The following quote appears at page B-17;

> "The existing units in Norman Bay suffer from chronic fuel pump problems. The replacement of the existing units with more modern units requires the upgrade of the existing custom automatic controls which were designed for the older units. Unit 557 in Postville is underutilized in the plant because it is unreliable and replacement parts are not readily available. Unit 2020 in Paradise River is too large for the system, which is experiencing extremely low loads and thus is underutilized resulting in increased use of the remaining units in the plant. This also results in low plant efficiency."

a) With respect to the **Paradise River** station, has NLH identified any performance deficiencies with Unit 2020 *other than* the lube oil contamination issue identified at Volume II, Tab 6, Page 14?

b) Has NLH performed a comparison of the capital costs of replacing Unit 2020 versus any quantifiable operational efficiency losses should Unit 2020 be retained on the system?

Reference	2009 Capital Projects: $500,000 and Over	p. B-19

PERMANENT ACCOMODATIONS - CAT ARM

Q The following quote appears at pages B-20;

> " Considering the remoteness of the Cat Arm site and the potential problems with daily accessing it during the winter months, a need for on site accommodations exists. The Cat Arm access road is not plowed during the winter months and on-site accommodations are needed to respond to outages and repairs. A new permanent accommodations facility will provide Hydro personnel with modern, safe on-site living conditions that meet all current standards and guidelines."

a) For how many weeks of the year is the access road to Cat Arm impassible due to snow accumulation?

b) During winter months, how does NLH's staff access the Cat Arm station when the access road is blocked?

c) What is the rationale for paving the parking lot?

d) Is the access road to Cat Arm itself paved?

Reference	2009 Capital Projects: $500,000 and Over	p. B-22

L'ANSE AU LOUP GENERATION

Q (a) Has the possibility of an eventual connection of the L'Anse Au Loup distribution system to the Lower Churchill HVDC line been considered in formulating the parameters of this project, and if so, how?

Reference	2009 Capital Projects: $500,000 and Over	p. B-38

FIBRE OPTIC CABLE - HINDS LAKE

Q The following quote appears at page B-39;

> "This project is needed to replace existing failing or deteriorated equipment. Reliable equipment is required for communications and teleprotection of Hydro's generation and transmission assets. A cost benefit analysis was performed that showed it is more cost effective to replace the existing microwave radio link with a fibre optic cable rather than replace it with microwave radio technology. The cost advantage of the fibre optic link over the microwave radio is $296,000 considering an assumed life of 30 years."

(a) Does NLH currently employ fibre optic communication technology at any of its other generating facilities?

(b) Is NLH considering replacement of microwave communication technology at any of its other generating facilities?

Reference	2009 Capital Budgets: Multi-Year Projects	p. B-40

HAPPY VALLEY OFFICES AND LINE DEPOT

Q (a) What is the reason for the delay(s) in this project?

(b) Why have Site Development Costs associated with the Happy Valley facility increased from $108,000.00 to $208,000.00, as indicated at page B-40?

(c) Why have In-House Engineering and Project Management Costs associated with the Happy Valley facility increased from $97,000.00 to $159,000.00, as indicated at page B-40?

(d) (i) What is encompassed by the term'Corporate Overheads', and;

(b) Why has this item increased from $88,000.00 to $133,000.00, as indicated at page B-41?

(e) What portion of the additional costs have arisen by virtue of the delay in completing this project?

Reference	2009 Capital Budgets: Multi-Year Projects	p. C-37

HINDS LAKE INTAKE UPGRADE

At page C-37, NLH states that the Project Description for the Upgrade of the Intake of Hinds Lake Gate Structures is as follows;

> "This project is required to upgrade the electrical controls at the Hinds Lake intake gate. The new system will use a programmable logic controller (PLC) with a cable reel sensor to precisely control the position of the current intake gate. This system will offer accurate gate position feedback. A backup penstock-priming device will also be employed to address all safety concerns arising from filling the penstock after partial or complete dewatering."

Q (a) How many of NLH's hydro generating stations currently employ PLC's with cable reel sensors?

(b) Does each intake gate in each station employ a PLC with cable reel sensors?

Reference	2009 Capital Projects $200,000 - $500,000	p. C-66

WABUSH LINE L-36

Q a) Why has L-36 been less reliable than both Hydro and CEA averages in the last 5 years, and is the performance also influenced by;

i) temperature, and/or;
ii) weather, including wind and/or precipitation?

b) How does the performance of L-36 compare with the average performance of sub-transmission lines of similar voltage on the Labrador Interconnected system?

Reference	2009 Capital Projects $200,000 - $500,000	p. C-74

HIGHWAY OFF-LOADING RAMPS

Q a) At p. C-77 NLH indicates that it has targeted 8 provincial highways for the construction of off-loading areas. Does NLH have plans to add off-loading areas to other provincial highways beyond those eight, and if so, how many highways and loading areas are contemplated?

b) At page C-75, NLH states that "*flag persons and signage are often required to divert traffic or shut down traffic lanes altogether*", and at page C-80, NLH states that "*construction of the off-loading areas will increase the level of safety associated with off-loading operations as the potential of vehicular incidents will be reduced, resulting in safer working conditions for our employees and less danger for the motoring public*."

i) Does NLH consider that its current practice of lane closures creates actual danger to its employees or the public, and if so, how?

ii) Is NLH's current practice of lane closures permitted by the Department of Transportation and Works?

iii) To NLH's knowledge, does NLH's current off-loading practice pose a greater danger to workers and the public than that posed by the vehicle off-loading and road maintenance practices currently employed by the Department of Transportation and Works?

c) Will the establishment of off-loading areas as proposed by NLH necessarily result in the delivery of off-road maintenance vehicles to locations closer to potential maintenance and repair sites than currently is the case?

(d) Will the off-loading sites be oriented parallel to the highway or

perpendicular to the highway?

(e) Will the requirement for flagpersons be completely obviated by the construction of the off-loading ramps?

Reference	2009 Capital Projects $200,000 - $500,000	p. C-110

UPGRADE CIRCUIT BREAKERS

Q a) With reference to "Table 1: Breaker Performance" on p. C-112, please advise as to whether the NLH performance figures identified therein relate solely to the 66 earlier referenced air blast breakers on NLH's system, or a smaller subset of breakers.

b) If the performance figures relate to a smaller subset of breakers, please identify the parameters of the subset.

c) Is the CEA Average "Number Forced Outages" data a reflection of the aggregate number of outages Canada-wide for this time period divided by the number of years?

d) If the answer to c) is yes, please provide average figures for that period (2001-2005) for other utilities which use a comparable number of these breakers *vis a vis* NLH.

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. C-118**

INSULATOR REPLACEMENTS

Q a) With reference to Table 1 at page C-119, can NLH determine the extent to which insulator failures actually did contribute to the noted outage statistics?

b) Were there any instances in which an outage was directly attributed to an insulator failure?

c) If the answer to b) is yes, how many outages between 2003-2007 were directly attributed to an insulator failure?

Reference	2009 Capital Projects $200,000 - $500,000	p. C-124

ROCKY HARBOUR LINE 2

Q a) Using September 2008 fuel prices, please indicate the cost of 120 barrels of fuel as consumed at the Holyrood Terminal Generating Station.

Reference	2009 Capital Projects $200,000 - $500,000	p. D-3

CONDENSATE DRAINS - HOLYROOD

Q a) Has condensation ever been induced into the high pressure turbine at Unit 1, Holyrood?

b) If the answer to a) is yes, has the induction of such condensate ever caused damage, or otherwise required the unit to undergo maintenance?

c) How long has Unit 1 operated without drain pots?

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-12**

MARINE CAPSTANS - HOLYROOD

a) How long has NLH performed maintenance operations on the referenced capstans without a lifting frame device?

b) Can NLH quantify the savings to be realized by reducing maintenance time from three to four days to one to two days, as suggested at page D-13?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-15

GENERATOR OIL LEVEL SYSTEM - HOLYROOD

Q a) When was the existing generator oil level system on Units #1 and #2 (Holyrood) installed?

b) Has a different oil level system ever been employed on Units #1 and #2, and if so, when?

c) Has there ever been a failure of Unit #1 or #2 due to depletion of oil levels?

d) If the answer to c) is yes, were these failures attributable to the existing oil level system?

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-30**

PAVING - BISHOP'S FALLS PREMISES

Q (a) How long has the Bishop's Falls facility featured gravel roads and parking areas?

(b) Have there been increased incidents of damage to snow clearing equipment due to the condition of the lot in winter during the last five years?

(c) Please identify, and quantify, any such damage to NLH vehicles within the past five years.

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-38**

VOLTAGE REGULATOR BANK - ENGLISH HARBOUR WEST

At page D-40 NLH states that "*Over the past number of years, voltage levels at customers' services during light load and peak load are exceeding the recommended voltage levels" recommended by the C.S.A.*" NLH also states that, "*the existing system is incapable of delivering voltages within standard at customers' service entrances during periods of peak load*."

Q a) Please advise as to the number of customer complaints received by NLH over the past 5 years attributable to this issue.

b) Please advise as to the nature of customer complaints received by NLH.

Reference	2009 Capital Projects $200,000 - $500,000	p. D-41

TRANSFORMER STORAGE RAMPS - LABRADOR

Q a) How long have transformers at Nain and Cartwright been stored outdoors on wooden structures?

b) Has there ever been an instance in which a transformer and/or a waste oil drum was damaged in the course of snow clearing operations?

c) Is NLH under any legislative or regulatory requirement to modify its storage structures in both cases, or in either case?

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-53**

HIGH DEFINITION INFRA RED CAMERA

Q a) What is the estimated service life of the high definition infra red camera discussed at pages D-53 to D-54?

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-59**

DRAINAGE SYSTEM - WESTERN AVALON

Q a) Please clarify:

i) the age of the existing drainage system at the Hydro Western Avalon Terminal Station;

ii) the anticipated service life of such systems;

iii) whether the existing system has attained the end of its anticipated service life.

Reference	2009 Capital Projects $200,000 - $500,000	p. D-62

POLE STORAGE RAMPS

Q a) Are the Federal requirements outlined in "Guidelines for Treated Wood Storage Facilities", as referenced on page D-64, currently incorporated in a legislative or regulatory regime binding upon NLH?

b) If the answer to the above is yes, why is this project not classified as 'mandatory' in nature?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-65

PARADISE RIVER DIESEL PLANT

Q a) When did the Paradise River Diesel Plant go into operation?

b) Has the Paradise River Diesel Plant ever contained a running water or sewer system?

c) Prior to the extension of the Trans Labrador Highway from Paradise River to Cartwright, how did maintenance crews access the Paradise River Plant?

d) Where did maintenance crews stay prior to the extension of the Trans Labrador Highway from Paradise River to Cartwright?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-67

TRANSMISSION STORAGE RAMPS

Q a) How long have transformers at Bay D'Espoir been stored outdoors on wooden structures?

b) Has there ever been an instance in which a transformer and/or waste oil drum was damaged in the course of snow clearing operations?

c) Is NLH under any legislative or regulatory requirement to modify its storage practices?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-69

138V VOLTAGE TRANSFORMER - ST. ANTHONY

At pages D 69-70, NLH states that "Consequently, the line protection circuits have been de-activated, leaving TL-256 without protection. This diminishes the overall reliability and security of supply to customers."

Q a) Have there been outages due to the de-activation of line protection circuits?

b) Have there been outages during the time(s) which the line protection circuts have been de-activated?

c) Table 3 located at page D-23 indicates that TL-256 has a frequency of 0.90 per terminal year and an unavailability of 0.0009%. "Unavailability" is defined therein as "The amount of time the line is not available for terminal related causes." Is the unavailability rating of this line, therefore, already better than both the NLH 138 KV Average and the CEA 138 DV Average for the years 2001-2005?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-71

69 KV VOLTAGE TRANSFORMER - ST. ANTHONY

Q a) Please provide, in tabular form, the "unavailability" percentage for:

i) TL-261;

ii) The 2001-2005 NLH Average for lines of similar voltage, and;

iii) The 2001-2005 CEA Average for lines of similar voltage.

Reference	2009 Capital Projects $200,000 - $500,000	p. D-75

METERING STATION - HAWKE'S BAY

NLH classifies the installation of the Metering Station at Hawke's Bay as a mandatory item. Section 18 (2) (b) of the Storage and Handling of Gasoline and Associated Projects Regulations is cited as support for the proposition that a metering station is required to effect compliance with the regulations.

Q a) What is the basis for NLH's conclusion that the installation of a metering station is the only manner in which compliance with the Act and Regulations is possible?

b) Why is a metering station necessary to comply with the provisions of 18 (2) (b)?

c) How many other NLH diesel plants currently possess meter stations comparable to that proposed on page-75?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-78

RIGHT OF WAY SURVEYS

Q a) Are the surveys proposed on page D-78 related exclusively to the acquisition of easements Provincial Crown Land?

b) Is NLH aware of an instance in which the Provincial Crown has refused NLH access to Crown Lands in order to perform maintenance on its lines?

c) Is NLH aware of an instance in which private occupants of Crown Land, or other private land owners, attempted to challenge NLH's access to Crown Land?

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-88**

PERIPHERAL INFRASTRUCTURE - HYDRO PLACE

Q Please provide the per unit cost of the following items as identified on page D-88:

i) The multi-function devices;

ii) the black and white laser printers;

iii) the video conferencing units.

Reference	**2009 Capital Projects $200,000 - $500,000**	**p. D-92**

DRAFTING SCANNER/PLOTTER

Q Please provide the unit cost for each of the items proposed on page D-92, namely:

i) plotting scanner (Hydro Place);

ii) scanner (Bishop's Falls).

Reference	2009 Capital Projects $200,000 - $500,000	p. D-96

APPLICATION ENHANCEMENTS - HYDRO PLACE

Q a) Can NLH quantify the savings to be realized by way of perceived efficiencies inherent in the implementation of the Corporate Performance Management Application versus the capital cost of the Application?

b) On page D-96, NLH states that the Enterprise Resource Planning (ERP) system provided by JD Edwards is "not intuitive or user friendly", but at page D-98, NLH suggests that Showcase Suite will be maintained, and upgraded, so as to permit continued use of JD Edwards applications. Is the Corporate Performance Management Application a JD Edwards Application, and if not, will the retention of other JD Applications conflict with the Corporate Performance Management Application?

Reference	2009 Capital Projects $200,000 - $500,000	p. D-105

MINOR APPLICATION ENHANCEMENTS - HYDRO PLACE

At page D-96, NLH indicated that the current JD Edwards ERP System was "not intuitive or user friendly." Introduction of a Corporate Performance Management Application is proposed.

Q a) Does NLH intend to perform application enhancements on the ERP suite in light of the foregoing, and if so, why?

b) If replacement of the JD Edwards ERP is approved, how will the proposal on page D-105 be affected, and will there be a reduction of the amount submitted?

c) If there is a reduction, please confirm the amount of same.

Reference	2009 Capital Projects Expenditures	p. H-15

GOVERNOR CONTROL REPLACEMENT - CAT ARM

NLH states that the closure of the accommodations at the Cat Arm site has affected the budget associated with the replacement of the governor controls for Unit #2 at Cat Arm. It is estimated that a further $263,000 will be incurred, exclusive of accommodations.

Q a) Did NLH explore the possibility of introducing temporary and/or mobile structures as a potential lesser cost alternative?

Reference	**General**	**N/A**

Q Please provide the following in tabular format;

a) The gross amount of overtime hours, and overtime wages paid on account of operating between 2003 and 2007;

b) The gross amount of overtime hours, and overtime wages paid on account of capital projects between 2003-2007;

c) The gross amount of non-overtime hours, and non-overtime wages paid on account of operating between 2003 and 2007;

d) The gross amount of non-overtime hours, and non-overtime wages paid on account of capital projects between 2003 and 2007;

e) The ratio of overtime hours to non-overtime **hours** charged on operating between 2003 and 2007;

f) The ratio of overtime wages to non-overtime **wages** charged to operating between 2003 and 2007;

g) The ratio of overtime hours to non-overtime **hours** charged to capital projects between 2003 and 2007;

h) The ratio of overtime wages to non-overtime **wages** charged to capital projects projects between 2003 and 2007;

Reference	**General**	**N/A**

Q a) Please provide a departmental average of overtime hours worked per employee between 2003 and 2008 on capital projects.

b) Please provide a departmental average of overtime hours worked per employee between 2003 and 2008 on account of operating.

Reference	General	N/A

Q Please provide a copy of NLH's policy on overtime, and comment on how the policy is monitored and/or enforced.

Reference	**General**	**N/A**

Q Please provide the following in tabular format;

a) The total number of executive hours charged to capital projects between 2004 and 2008;

b) The total number of senior management (non-executive) charged to capital projects between 2004 and 2008;

c) The ratio of executive hours charged to capital projects versus operating between 2004 and 2008;

d) The ratio of senior management (non-executive) hours charged to capital projects versus operating between 2004 and 2008;

Reference	**General**	**N/A**

Q Please provide a list of all capital projects (including project identifier, where applicable) to which executive time was charged between 2004 and 2008, including the number of hours charged to each.

Reference	**General**	**N/A**

Q Please provide a list of all capital projects (including project identifier, where applicable) to which senior management (non-executive) time was charged between 2004 and 2008, including the number of hours charged to each.

Reference	General	N/A

Q a) Please identify the actual number of NLH employees who fell in each of the following categories in 2007;

i) Employees whose hours were allocated to capital projects greater than 10% of the time, but less than 20% of time;

ii) Employees whose hours were allocated to capital projects greater than 20% of the time, but less than 30% of time;

iii) Employees whose hours were allocated to capital projects greater than 30% of the time, but less than 40% of time;

iv) Employees whose hours were allocated to capital projects greater than 40% of the time, but less than 50% of time;

v) Employees whose hours were allocated to capital projects greater than 50% of the time, but less than 60% of time;

vi) Employees whose hours were allocated to capital projects greater than 60% of the time, but less than 70% of time;

vii) Employees whose hours were allocated to capital projects greater than 70% of the time, but less than 80% of time;

viii) Employees whose hours were allocated to capital projects greater than 80% of the time.

b) Please also identify the actual number of NLH employees who fell in each of the above categories in the years 2003-2006, inclusive;

c) Please provide the average, inflation-adjusted, salary of the employees in each of those categories, in the years 2003-2007, inclusive.

Reference	General	N/A

Q a) Please provide a total - by year - of the gross amount of any retroactive adjustments of labour allocated to capital projects between 2003 and 2007;

b) If possible, please provide the dates upon which the retroactive adjustments were made;

c) If possible, please indicate the position of the employee(s) whose hours were retroactively reallocated;

d) Please indicate whether NLH maintains an approved time sheet or other record of the reallocated hours.

Reference	**General**	**N/A**

Q Please provide a yearly record of any expense items allocated to capital projects between 2003-2007 which were in addition to labour and materials required for the completion of the capital project.

Reference	General	N/A

Q What procedures are employed by NLH in order to verify whether wages, expenses, or other items, are accurately allocated to capital versus operating budgets?

DATED at St. John's, in the Province of Newfoundland and Labrador, this _____ day of September, 2008.

_____

THE CONSUMER ADVOCATE
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& Mr. Ian F. Kelly

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Attention: Mr. Joseph Hutchings, Q.C.