

**Q. Section 2: Customer Operations - p. 2-8, footnote 26 where it states “The strengthening of the electrical system has been key to Newfoundland Power’s ability to reduce the size of its workforce through a series of early retirement programs over the past decade or so. This workforce reduction resulted in a sustained period of flat operating costs during which service to customers improved.”**

**(a) Please provide details as to the series of early retirement programs referred to above. As part of the reply, indicate the types of employees/positions which availed of the early retirement programs.**

**(b) Does the company plan to offer another early retirement program?**

**A. (a)** Table 1 provides the number of employees accepting early retirement programs over the past decade.

**Table 1**  
**Number of Employees Accepting Early Retirement Programs**  
**By Occupation Group**

	<b>1999</b>	<b>2000</b>	<b>May 2001</b>	<b>November 2001</b>	<b>2005</b>
Electrician	-	3	-	-	4
Linesperson	10	10	7	4	32
Millwright	1	1	-	3	3
Technologist	10	1	1	2	13
Engineer	1	-	-	-	2
Other	24	7	1	6	22
<b>Total</b>	<b>46</b>	<b>22</b>	<b>9</b>	<b>15</b>	<b>76</b>

The 1999 Early Retirement Program was open to all employees attaining the age of 50 or over by December 31<sup>st</sup>, 1999 with either 30 years of service or an age plus service combination of 85 by August 31<sup>st</sup>, 2000.

The 2000 Early Retirement Program was open to all employees attaining the age of 50 or over by December 31<sup>st</sup>, 2000 and having a minimum of 28 years of service.

The May 2001 Early Retirement Program was open to all employees attaining the age of 50 or over by April 30<sup>th</sup>, 2001 and having a minimum of 28 years of service, and to all employees with an age plus service combination of 85 as of April 30<sup>th</sup>, 2001.

1           The November 2001 Early Retirement Program was open to all employees  
2           attaining the age of 50 and having at least 30 years of service, or an age plus  
3           service combination of 85, by July 31, 2002.  
4

5           The 2005 Early Retirement Employees was open to all employees attaining the  
6           age of 50 and having at least 30 years of service or the age of 55 with an 85  
7           combination of age and service by December 31, 2004. Two other employees  
8           retired in 2005, but those retirements were not pursuant to the terms of the Early  
9           Retirement Program.  
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11           (b)    The Company does not plan to offer another early retirement program at this time.