

1 Q. What is Hydro's policy as regards retiring allowances for its employees? As part of  
2 the reply, please explain how one becomes eligible to receive a retiring allowance  
3 and the extent of the benefit.

4

5

6 A. Eligible employees will receive a lump-sum retirement allowance payment upon  
7 retirement, conditional on meeting one of the following retirement eligibility  
8 criteria:

- 9       • Age 55 to 59 and have 30 years of service<sup>1</sup>;
- 10       • Age 60 to 64 and have 5 years of service<sup>1</sup>;
- 11       • Age 50 and have 30 years of service<sup>1</sup>; or
- 12       • Age 55 or greater where the combined age and service<sup>1</sup> equals 85.

13

14 The retirement allowance is a lump-sum payment equal to the amount obtained by  
15 multiplying the employee's weekly salary at the time of retirement by the number  
16 of completed years of employment<sup>2</sup> with Nalcor, Provincial Government or Agency,  
17 immediately preceding retirement to a maximum of twenty-six (26) weeks. Any  
18 employee transferring from provincial government who has received a severance  
19 payment for years of service would not be eligible for this service twice. In the  
20 event of the death of an active employee who meets the retirement criteria  
21 outlined above, the employee's estate shall be the recipient of the appropriate  
22 retirement allowance.

---

<sup>1</sup> Pensionable service is inclusive of the Nalcor Group of Companies and recognized Provincial Government or Agency pensionable service.

<sup>2</sup> Years of employment includes permanent and term service and any temporary service without a break in service that led to permanent or term service and any temporary service accumulated after 1998.