

- 1 Q. Could you please provide the aggregate listing of the operating expenditures that
2 Vale requests the Board to examine further. Please note in your response that the
3 \$2.9 million referenced in V-NLH-088 includes both consulting costs (highlighted in
4 lines 21 to 23 and in lines 17 to 21 of the Report of Mel Dean) and Newfoundland
5 and Labrador Hydro (“Hydro”) 2013 General Rate Application inter-company
6 Executive salary (highlighted in lines 22 to 25 and in lines 17 to 21 of the Report of
7 Mel Dean).
- 8 A. The table below provides a listing of the 2014 operating, maintenance and
9 administration expenses that I recommend the Board examine further.

1 **Table: Questionable 2014 Operating, Maintenance and Administration Expenditures**

Expenditure	Amount (\$000)	Reference / Comment
Increased Board related costs	2,300	V-NLH-095. NLH-V-004
Increased consulting – outage inquiry	2,000	V-NLH-095. NLH-V-004
Increased condition assessments	1,100	V-NLH-095. NLH-V-004
Increased environmental work	600	V-NLH-095. NLH-V-004
Increased environmental remediation	300	V-NLH-095. NLH-V-004
Incremental power outage costs which includes:		
a) Intercompany salaries	424	V-NLH-088, V-NLH-0124
b) Temporary salaries	2	V-NLH-088
c) Overtime	312	V-NLH-088, Note 1
d) Materials	11	V-NLH-088
e) Contract labour	67	V-NLH-088
Regular power outage labour	Unknown	V-NLH-088, Note 2
Catch-up transformer maintenance overtime	319	V-NLH-089, V-NLH-116, Note 1
Catch-up transformer maintenance overtime	206	V-NLH-089, V-NLH-117, Note 1
Total (Not including the unknown)	7,641	

Note 1 – The incremental power outage overtime of \$312,000 appears like it does not include the catchup transformer and breaker overtime which totals \$525,000.

Note 2 – The power outage work done using labour at regular rates may have been used for other purposes and thus preventing overtime in other areas during 2014.