

1 Q. Further to response to Request for Information NP-NLH-020, Attachment 1, Page 1
2 of 6, Line 7:
3 Please provide a breakdown of operating expenses for Proposed 2014 by cost type
4 (consistent with Volume 1, Section 3, Finance Schedule I, page 9 of 11). For
5 comparison purposes, please also include the 2012 and 2013 Test Year amounts on
6 the schedule.

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8
9 A. Please see NP-NLH-243 Attachment 1 (Revision 2).

Newfoundland and Labrador Hydro
Operating Expense by Cost Type
(\$ millions)

	Actual 2012	Actual 2013	Test Year 2014	Test Year 2015	Forecast 2016	Budget 2016
1 Salaries and benefits						
2 Salaries and benefits	70.9	75.0	81.9	90.5	92.7	87.7
3 Employee future benefits	7.0	6.8	6.8	8.4	8.5	9.4
4 Group insurance	2.4	2.4	2.5	2.6	2.6	2.4
5 Overtime	10.6	12.3	12.2	10.1	10.4	10.1
6 Capitalized salaries	(19.1)	(20.2)	(21.9)	(22.7)	(23.2)	(22.9)
7	71.9	76.2	81.5	88.9	91.0	86.7
8 Cost recoveries allocation	(2.6)	(3.0)	(3.5)	(3.1)	(3.3)	(3.9)
9	69.3	73.3	78.0	85.8	87.8	82.8
10						
11 System equipment maintenance						
12 System equipment maintenance	19.7	22.0	23.0	26.6	27.5	30.0
13 Deferred major extraordinary repairs	0.6	-	-	0.2	0.2	0.2
14	20.3	22.0	23.0	26.8	27.8	30.2
15 Cost recoveries allocation	(0.7)	(0.6)	(0.5)	(0.5)	(0.5)	(0.8)
16	19.5	21.4	22.5	26.4	27.3	29.4
17						
18 Other operating expenses						
19 Office supplies and expenses	2.2	2.6	2.6	2.8	2.9	2.8
20 Professional services	7.3	5.9	12.2	9.2	8.5	10.0
21 Insurance	2.1	2.4	2.7	2.6	2.7	2.7
22 Equipment rentals	1.7	1.9	1.9	3.1	3.1	3.1
23 Travel	3.0	3.3	3.7	3.7	3.7	3.5
24 Miscellaneous expenses	5.0	5.1	6.3	5.7	5.8	6.4
25 Building rental and maintenance	1.0	1.2	1.1	1.2	1.2	1.2
26 Transportation	1.9	2.1	2.5	2.2	2.3	1.9
27 Customer costs	0.1	0.1	0.1	0.1	0.1	0.1
28 Deferred regulatory costs	-	-	-	0.3	0.3	0.3
29	24.4	24.6	33.2	30.9	30.6	32.0
30 Cost recoveries allocation	(2.5)	(2.8)	(3.7)	(2.3)	(2.3)	(4.1)
31	21.9	21.8	29.5	28.7	28.4	27.9
32						
33 Total operating expenses before other cost recoveries	110.7	116.5	130.0	140.8	143.4	140.1
34						
35 Other cost recoveries	(4.2)	(4.7)	(3.9)	(2.6)	(2.6)	(1.9)
36 Total operating expenses	106.5	111.8	126.1	138.2	140.8	138.2