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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 or			
6		the schedule.			
7					
8					
9	A.	Please see NP-NLH-243 Attachment 1 (Revision 2).			

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

Salaries and benefits			Actual	Actual	Test Year	Test Year	Forecast	Budget
2 Salaries and benefits 70.9 75.0 81.9 90.5 92.7 87.7 3 Imployee 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) (32.2) (22.9) 7 7.9 7.6 8.15 88.9 91.0 86.7 8 Cost recoveries allocation (2.6) (3.0) (3.5) (3.1) (3.3) (3.9) 10 Transportation (2.6) 3.0 25. 27. 28.8 87.8 88.8 10 Cerred major extraordinary repairs 9.7 22.0 23.0 26.6 27.5 30.0 12 System equipment maintenance 19.7 22.0 23.0 26.8 27.8 <th></th> <th></th> <th>2012</th> <th></th> <th></th> <th></th> <th>2016</th> <th></th>			2012				2016	
2 Salaries and benefits 7.09 75.0 81.9 90.5 92.7 87.7 3 Imployee 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) (32.0) 26.7 7 7.9 7.6 8.15 88.9 9.10 86.7 8 Cost recoveries allocation (2.6) 3.00 3.5 3.31 3.39 8 Cost recoveries allocation 19.7 22.0 23.0 26.6 27.5 30.0 15 System equipment maintenance 19.7 22.0 23.0 26.6 27.5 30.2 12 System equipment maintenance 19.7 22.0 23.0 26.6 27.5 30.2								
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 Overtine 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 7 7.9 76.2 8.15 8.8 9.10 86.7 8 Cost recoveries allocation (2.6) (3.0) (3.5) (3.1) (3.3) (3.9) 9 vortee quipment maintenance 19.7 22.0 23.0 25.6 27.5 30.0 13 Deferred major extraordinary repairs 0.6 - - 0.2 0.2 0.2 15 Cost recoveries allocation (0.7) (0.6) (0.5) (0.5) (0.5) (0.5) 16 Cost recoveries allocation (0.7) (0.6) (0.5) (0.5)								
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 12.1 6 Capitalized salaries (19.1) (20.2) (21.9) (22.7) (23.2) (22.9) 7 7.19 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 8.5 8.5 87.8 82.2 82.8 82.8 82.8 82.8 82.8 82.8 82.8 <t< td=""><td>2</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	2							
5 Overline 10.6 (apitalized salaries) 11.0 (apitalized salaries) 12.3 (apitalized salaries) 12.2 (apitalized salaries) 10.1 (apitalized salaries) 12.2 (apitalized salaries) 12.3 (apitalize	3							
6 Capitalized salaries (19.1) (20.2) (21.9) (22.7) (23.2) (22.9) 7 7.5 7.5 81.5 88.9 91.0 85.7 8 Cost recoveries allocation (2.6) (3.0) (3.5) (3.1) (3.3) 9 69.3 73.3 78.0 85.8 87.8 82.8 18 System equipment maintenance 19.7 22.0 23.0 26.6 27.5 30.0 15 System equipment maintenance 19.7 22.0 23.0 26.6 27.8 20.2	4	•						2.4
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) 10 66.3 73.3 78.0 85.8 87.8 82.8 10 3 78.0 78.0 85.8 87.8 82.8 10 3 26.0 73.3 78.0 85.8 87.8 82.8 10 3 26.0 27.5 30.0 20.0	5			_				
8 Cost recoveries allocation (2.6) (3.0) (3.5) (3.1) (3.3) (3.9) 9 693. 73.3 78.0 85.8 87.8 82.8 11 System equipment maintenance 87.0 82.0 20.0 26.6 27.5 30.0 12 System equipment maintenance 19.7 2.0 23.0 26.6 27.5 30.0 13 Deferred major extraordinary repairs 0.6 - - 0.2 0.2 0.2 14 Cost recoveries allocation (0.7) (0.6) 0.05 (0.5)	6	Capitalized salaries						
Page	7							
10 System equipment maintenance 19.7 22.0 23.0 26.6 27.5 30.0 20.0		Cost recoveries allocation						
11 System equipment maintenance 19.7 22.0 23.0 26.6 27.5 30.0 26.6 27.5 30.0 26.6 27.5 30.0 26.6 27.5 30.0 26.6 27.5 30.0 26.6 27.5 30.0 26.6 27.5 20.2	9		69.3	73.3	78.0	85.8	87.8	82.8
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 15 Cost recoveries allocation 0.07 0.66 0.50 0.05 0.05 0.05 0.05 16 19.5 21.4 22.5 26.4 27.3 29.4 18 Other operating expenses 2 2.6 2.6 2.8 2.9 2.8 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 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 4 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 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
13 Deferred major extraordinary repairs 0.6 - - 0.2 0.2 0.2 0.2 14 20.3 22.0 23.0 26.8 27.8 30.2 15 Cost recoveries allocation (0.07) (0.6) 0.55 (0.5) (0.6) 16 - 19.5 21.4 22.5 26.4 27.3 29.4 17 - - - - 2.6 2.6 2.6 2.7 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 34 Miscellaneous expenses 5.0 5.1 6.3 5.7 5.8 6.4	11	System equipment maintenance						
14	12	System equipment maintenance		22.0	23.0			30.0
15 Cost recoveries allocation (0.7) (0.6) (0.5) (0.5) (0.5) (0.8) (0	13	Deferred major extraordinary repairs						0.2
19.5 21.4 22.5 26.4 27.3 29.4 27.5 28.4 27.3 29.4 27.5 28.5	14							
18 Other operating expenses 19 Office supplies and expenses 2 2 2 6 2.6 2.6 2.8 2.9 2.8 2 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 0.1 0.1 28 Deferred regulatory costs 0.3 0.3 0.3 20 Cost recoveries allocation (2.5) (2.8) (3.7) (2.3) (2.3) (4.1) 31 31 0.3 Total operating expenses before other cost recoveries 1.0 1.0 1.6 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0	15	Cost recoveries allocation	(0.7)	(0.6)		(0.5)	(0.5)	(0.8)
18 Other operating expenses 2.2 2.6 2.6 2.8 2.9 2.9 2.8 2.9 2.	16		19.5	21.4	22.5	26.4	27.3	29.4
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 0.1 0.1 0.1 0.1 0.1 0.1 0.1 0.1 0.1 0.1 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3								
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 0.1 0.1 28 Deferred regulatory costs - - - - 0.3 0.3 0.3 0.3 29 Cost recoveries allocation (2.5) (2.8) (3.7) (2.3) (2.3) (4.1) 31 Total operating expenses before other cost recoveries 110.7 116.5 130.0 140.8 143.4 140.1 35 Other co	18	Other operating expenses						
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 Total operating expenses before other cost recoveries 110.7 116.5 130.0 140.8 143.4 140.1 35 Other cost recoveries (4.2) (4.7) (3.9)	19	Office supplies and expenses	2.2	2.6	2.6	2.8	2.9	2.8
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 0.1 0.1 28 Deferred regulatory costs - - - 0.3 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 3 Total operating expenses before other cost recoveries 110.7 116.5 130.0 140.8 143.4 140.1 34 3 Costrecoveries (4.2) (4.7) (3.9) (2.6) (2.6) (2.6) (1.9)	20	Professional services	7.3	5.9	12.2	9.2	8.5	10.0
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 0.1 0.1 28 Deferred regulatory costs - - - - 0.3 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 3 Total operating expenses before other cost recoveries 110.7 116.5 130.0 140.8 143.4 140.1 34 34 34 34 34 34 34 34 34 34 34 <td>21</td> <td>Insurance</td> <td>2.1</td> <td>2.4</td> <td>2.7</td> <td>2.6</td> <td>2.7</td> <td>2.7</td>	21	Insurance	2.1	2.4	2.7	2.6	2.7	2.7
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 0.1 28 Deferred regulatory costs - - - 0.3 0.3 0.3 0.3 29	22	Equipment rentals	1.7	1.9	1.9	3.1	3.1	3.1
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)	23	Travel	3.0	3.3	3.7	3.7	3.7	3.5
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) (2.6) (1.9)	24	Miscellaneous expenses	5.0	5.1	6.3	5.7	5.8	6.4
27 Customer costs 0.1 0.1 0.1 0.1 0.1 0.1 28 Deferred regulatory costs - - - - 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) (2.6) (1.9)	25	Building rental and maintenance	1.0	1.2	1.1	1.2	1.2	1.2
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 37 110.7 116.5 130.0 140.8 143.4 140.1 34 34 34 34 34 34 34 34 35 Other cost recoveries (4.2) (4.7) (3.9) (2.6) (2.6) (2.6) (1.9)	26	Transportation	1.9	2.1	2.5	2.2	2.3	1.9
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)	27	Customer costs	0.1	0.1	0.1	0.1	0.1	0.1
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)	28	Deferred regulatory costs	-	-	-	0.3	0.3	0.3
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)	29		24.4	24.6	33.2	30.9	30.6	32.0
32	30	Cost recoveries allocation	(2.5)	(2.8)	(3.7)	(2.3)	(2.3)	(4.1)
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)	31		21.9	21.8	29.5	28.7	28.4	27.9
34 35 Other cost recoveries (4.2) (4.7) (3.9) (2.6) (2.6) (1.9)	32							
34 35 Other cost recoveries (4.2) (4.7) (3.9) (2.6) (2.6) (1.9)	33 Total operating expenses before other cost recoveries		110.7	116.5	130.0	140.8	143.4	140.1
	35	Other cost recoveries	(4.2)	(4.7)	(3.9)	(2.6)	(2.6)	(1.9)
	36	Total operating expenses					140.8	138.2