

1 Q. **2013 General Rate Application, Intercompany Charges and Shared Services**

2 Page 3.15, lines 2-3 - What factors, other than the transfers out of Hydro to Nalcor,
3 contributed to the decrease in Executive and Administration net FTEs from 2007 to
4 2013?

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7 A. A combination of factors contribute to the decrease in Executive and
8 Administration net FTEs in addition to positions being transferred out of Hydro
9 (home) to Nalcor from 2007 to 2013. Hydro continuously reviews and adjusts its
10 workforce to ensure efficient operations based on its business requirements. There
11 have been reorganizations within Regulated Hydro that do not affect the overall
12 total FTEs but nonetheless may result in positions being added, closed, or
13 transferred out of specific sections. There have also been a number of charges in
14 and out of Hydro Regulated Operations that affect net FTEs to and from other lines
15 of businesses.

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17 The overall change in Executive and Administration net FTEs was a decrease of 13.3.
18 A summary of the changes is reflected in Table 1.

19 **Table 1**

Department	Actual	Forecast	Difference 2007 - 2013
	2007	2013	
Corporate Relations	38.7	41.2	2.5
Executive Leadership & Assoc.	12.7	4.7	-8.0
Finance/CFO	101.0	87.2	-13.8
Human Resources & Org. Effect.	23.2	29.2	6.0
Grand Total	175.6	162.3¹	-13.3

¹ Section 3, Finance, page 3.14, Chart 3.3 of the Evidence stated the 2013 Forecasted FTEs at 815. The net FTE is restated at 818, a difference of three FTEs. The correction as it relates to Executive and Administration is a net increase of two FTEs.

Corporate Relations

Within the Corporate Relations division, the net FTE increased by 2.5 as outlined in Table 2. The new positions in Corporate Relations were mostly resulting from a reorganization of energy efficiency staff from Systems Operations to Corporate Relations.

Table 2

Change Reason	FTE
Transfer out	-3.0
Positions closed	-2.6
New positions	8.0
Temporary hires	0.6
Net charge in/out of Regulated Hydro	1.1
Vacancy	-1.6
Total Net Change	2.5

Executive Leadership & Associate

There was no change in the Executive Leadership group other than the transfers out of 12.7 FTEs and the charges back into regulated Hydro of 4.7 FTEs for a difference of eight net FTEs.

Human Resources and Organizational Effectiveness

The Human Resources and Organizational Effectiveness Department increased by six net FTEs since 2007. The 6.2 increase in Graduate Trainees (apprentices and engineers) is attributed to increased recruitment and retention efforts in support of anticipated retirements and succession planning and to ensure the Company reached its target budget for these positions (thus increasing the net FTE actuals, but not the budgeted FTE allotment). With increased employee retirements and Company growth, recruitment efforts have increased substantially over this period, requiring an additional Human Resource Advisor position within the Talent

Management team, whose primary focus is Recruitment. In addition, as a result of internal restructuring, the Manager, Labour Relations position was eliminated and a Human Resources Specialist – Talent Management position was created and the labour relations function was shifted to the Human Resources Lead for Hydro and the Manager, Human Resources. This shift in responsibilities required an additional Advisor role in the labour relations area. These changes resulted in a more dedicated focus to the growing demands of both the Talent Management and Labour Relations functions. The addition of a Human Resources Specialist – HRIS and Payroll was required to support the enhanced reporting requirements of the HR system as well as the addition of three payrolls (total of five payrolls), all requiring a dedicated senior resource. This role also has accountability for privacy within the Company. The Environmental Specialist position was created to support Company's increased environmental responsibility. These new positions strategically support the Company's growing business requirements. Table 3 provides the details of the changes.

Table 3

Reason	FTE
Transfer out	-3.5
Closed positions	-2.6
New positions	4.0
Temporary hires	1.2
Graduate Trainee/Summer Students hires	6.2
Net charge in/out of Regulated Hydro	1.9
Vacancy	-1.1
Total Net Change	6.0

1 **Finance**

2 The Finance department had a reduction of 13.8 net FTEs as per Table 4.

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Table 4

Reason	FTE
Transfers out	-13.8
Closed positions	-4.0
New positions	2.0
Temporary hires	1.0
Net charges in/out of Regulated Hydro	6.6
Vacancy	-5.6
Total Net Change	-13.8