1	Q.	2013 General Rate Application, Intercompany Transaction Costing Guidelines –
2		Exhibit 8
3		Page 3, lines 6-7 - Provide an itemized list of and the amount of the operating costs
4		incurred by Hydro's Human Resources department each year from 2007 to 2012
5		and the amounts budgeted for each operating cost for 2013 to 2015. Identify any
6		departmental operating costs that were excluded from the pool of operating costs
7		allocated to the lines of business.
8		
9		
10	A.	Please refer to PUB-NLH-176 Attachment 1 (Revision 1).

Hydro Human Resources Common Services Business Unit

Cost Type Description 2007 2008 2009 2010 2011 2012 2013	2014 \$ 1,492,419 \$ 28,000	2015
Salaries & Fringe Benefits \$ 2,795,161 \$ 551,210 \$ 1,027,851 \$ 390,467 \$ 1,044,896 \$ 1,355,972 \$ 1,597,617 \$ System Equipment Maintenance 9,012 18,031 38,206 165,029 22,018 20,627 16,539 Office Supplies & Expenses 60,126 64,035 48,976 45,220 41,052 38,559 33,201 Professional Services 62,744 125,678 74,862 120,001 192,104 171,486 86,672 Equipment Rentals 9,673 24,440 27,787 26,091 24,390 33,566 36,130 Miscellaneous Expenses 2,129,869 1,402,154 1,420,436 1,508,884 1,606,158 1,598,682 1,738,967 Cost recoveries (47,842) (3,136) (24,982) (499,850) (527,142) (636,659) (624,920) Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs		
System Equipment Maintenance 9,012 18,031 38,206 165,029 22,018 20,627 16,539 Office Supplies & Expenses 60,126 64,035 48,976 45,220 41,052 38,559 33,201 Professional Services 62,744 125,678 74,862 120,001 192,104 171,486 86,672 Equipment Rentals - 39 - 40 - 212 Travel 80,673 24,440 27,787 26,091 24,390 33,566 36,130 Miscellaneous Expenses 2,129,869 1,402,154 1,420,436 1,508,884 1,606,158 1,598,682 1,738,967 Cost recoveries (47,842) (3,136) (24,982) (499,850) (527,142) (636,659) (624,920) Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$		
Office Supplies & Expenses 60,126 64,035 48,976 45,220 41,052 33,559 33,201 Professional Services 62,744 125,678 74,862 120,001 192,104 171,486 86,672 Equipment Rentals - 39 - - 40 - 212 Travel 80,673 24,440 27,787 26,091 24,390 33,566 36,130 Miscellaneous Expenses 2,129,869 1,402,154 1,420,436 1,508,884 1,606,158 1,598,682 1,738,967 Cost recoveries (47,842) (3,136) (24,982) (49,850) (527,142) (636,659) (624,920) Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs 62,096 40,708 44,284 499,850 527,142		
Professional Services 62,744 125,678 74,862 120,001 192,104 171,486 86,672 Equipment Rentals 39 - - 40 - 212 Travel 80,673 24,440 27,787 26,091 24,390 33,566 36,130 Miscellaneous Expenses 2,129,869 1,402,154 1,420,436 1,508,884 1,606,158 1,598,682 1,738,967 Cost recoveries (47,842) (3,136) (24,982) (499,850) (527,142) (636,659) (624,920) Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Add back Admin fee recoveries 62,096	•	28,700
Equipment Rentals	38,400	37,257
Travel 80,673 24,440 27,787 26,091 24,390 33,566 36,130 Miscellaneous Expenses 2,129,869 1,402,154 1,420,436 1,508,884 1,606,158 1,598,682 1,738,967 Cost recoveries (47,842) (3,136) (24,982) (499,850) (527,142) (636,659) (624,920) Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Add back Admin fee recoveries 62,096 40,708 44,284 499,850 527,142 636,659 624,920 Hydro specific costs excluded from cost allocation Recharged salaries (63,158) (77,973) (128,105) Group insurance refund 565,115 565,115 565,115 <td>211,160</td> <td>200,000</td>	211,160	200,000
Miscellaneous Expenses 2,129,869 1,402,154 1,420,436 1,508,884 1,606,158 1,598,682 1,738,967 Cost recoveries (47,842) (3,136) (24,982) (499,850) (527,142) (636,659) (624,920) Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Add back Admin fee recoveries 62,096 40,708 44,284 499,850 527,142 636,659 624,920 Hydro specific costs excluded from cost allocation Recharged salaries (63,158) (77,973) (128,105) Group insurance refund 565,115 565,115 565,115 565,115 565,115	2,000	2,050
Cost recoveries Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs Total operating costs Total operating costs 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs Total operating costs as per above Add back Admin fee recoveries Hydro specific costs excluded from cost allocation Recharged salaries Group insurance refund (47,842) (3,136) (24,982) (499,850) (527,142) (636,659) (624,920) (527,142) (636,659) (624,920) (63,158) (77,973) (128,105)	35,000	46,801
Building Rental & Maintenance 10,100 - 70 121 131 168 167 Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ 4,401 \$ 4,284 \$ 4,284 \$ 4,284 \$ 4,284 \$ 4,284 \$ 4,285	1,722,474	1,765,535
Total operating costs \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Determination of Common Service Costs Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Add back Admin fee recoveries 62,096 \$ 40,708 \$ 44,284 \$ 499,850 \$ 527,142 \$ 636,659 \$ 624,920 \$ 40,708 \$ 44,284 \$ 499,850 \$ 527,142 \$ 636,659 \$ 624,920 \$ 40,708 \$ 62,096 \$ 62	(756,302)	(827,830)
Determination of Common Service Costs Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Add back Admin fee recoveries 62,096 40,708 44,284 499,850 527,142 636,659 624,920 Hydro specific costs excluded from cost allocation Recharged salaries (63,158) (77,973) \$ (128,105) Group insurance refund		
Total operating costs as per above \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 1,755,963 \$ 2,403,648 \$ 2,582,401 \$ 2,884,585 \$ Add back Admin fee recoveries 62,096 40,708 44,284 499,850 527,142 636,659 624,920 Hydro specific costs excluded from cost allocation Recharged salaries (63,158) (77,973) \$ (128,105) Group insurance refund	\$ 2,773,151 \$	\$ 2,940,840
Add back Admin fee recoveries 62,096 40,708 44,284 499,850 527,142 636,659 624,920 Hydro specific costs excluded from cost allocation Recharged salaries (63,158) (77,973) \$ (128,105) Group insurance refund 565,115		
Hydro specific costs excluded from cost allocation Recharged salaries (63,158) (77,973) \$ (128,105) Group insurance refund 565,115	\$ 2,773,151 \$	\$ 2,940,840
Recharged salaries (63,158) (77,973) \$ (128,105) Group insurance refund 565,115	756,302	827,830
Group insurance refund 565,115		
	(83,430)	(116,328)
Advertising \$ (27,366)	(25,000)	(25,622)
Payroll tax (included in miscellaneous expenses) (1,346,974) (1,401,731) (1,453,618) (1,558,420)	(1,553,974)	(1,592,824)
A Total \$ 5,161,939 \$ 2,223,159 \$ 2,657,491 \$ 1,473,954 \$ 1,465,901 \$ 1,687,470 \$ 1,795,614 \$	\$ 1,867,049 \$	\$ 2,033,896
Allocations		
B Total FTEs 1,262.1 1,290.2 1,306.7 1,334.3	1,492.3	1,610.3
C Cost per FTE (A / B) \$ 1,168 \$ 1,291 \$ 1,346 \$	\$ 1,251 \$	\$ 1,263
D Hydro Regulated FTE's 832.5 827.6 813.7 815.4	887.8	954.9
E Other lines of business FTE's 429.6 462.6 493.0 518.9	604.5	655.4
Total FTE's 1,262.1 1,290.2 1,306.7 1,334.3	1,492.3	1,610.3
F Hydro Regulated (D * C) 3 \$ 5,099,843 \$ 2,182,451 \$ 2,613,207 \$ 972,196 \$ 940,304 \$ 1,050,811 \$ 1,097,312 \$	\$ 1,110,746 \$	\$ 1,206,090
G Other lines of business (C * E) 3 \$ 62,096 \$ 40,708 \$ 44,284 \$ 501,759 \$ 525,598 \$ 636,659 \$ 698,302 \$		
Q Ottier lines of business (C E)	, /30,303 \$	3 327,000
Total \$ 5,161,939 \$ 2,223,159 \$ 2,657,491 \$ 1,473,954 \$ 1,465,901 \$ 1,687,470 \$ 1,795,614 \$		

Notes

- 1. 2007 costs included costs that are not part of the existing Common Services Business Unit.
- 2. 2010 was the first year of the new Admin fee methodology.
- 3. Calculations in F and G begin in 2010.