

1 Q. **2013 General Rate Application, Intercompany Transaction Costing Guidelines –**  
2 **Exhibit 8**

3 Page 3, lines 11-12 - Provide an itemized list of and the amount of the operating  
4 costs incurred by Hydro's Safety and Health department each year from 2007 to  
5 2012 and the amounts budgeted for each operating cost for 2013 to 2015. Identify  
6 any departmental operating costs that were excluded from the pool of operating  
7 costs allocated to the lines of business.

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10 A. Please refer to PUB-NLH-184 Attachment 1 (Revision 1).

### Cost Type Description

Cost Type Description	Actual 2007	Actual 2008	Actual 2009	Actual 2010 <sup>1</sup>	Actual 2011	Actual 2012	Actual 2013	Test Year 2014	Test Year 2015
<b>Itemized listing of operating costs</b>									
Salaries & Fringe Benefits	\$ 479,545	\$ 503,087	\$ 507,188	\$ 553,567	\$ 620,854	\$ 707,907	\$ 657,225	\$ 630,922	\$ 611,590
System Equipment Maintenance	9,204	23,209	16,180	17,155	10,946	7,149	14,514	44,500	45,613
Office Supplies & Expenses	11,969	6,243	9,592	5,880	32,630	36,161	32,797	34,300	35,608
Professional Services	81,392	67,181	148,457	167,448	211,066	169,314	245,439	243,200	302,996
Equipment Rentals	96	-	-	76	333	0	50	1,000	1,025
Travel	26,911	33,098	20,654	35,948	37,919	51,619	41,284	45,750	49,418
Miscellaneous Expenses	2,271	3,272	529	1,901	3,481	2,803	4,499	4,550	4,664
Building Rental & Maintenance	34,692	11,384	16,920	68,187	86,808	95,656	127,959	89,700	91,946
Cost Recoveries	(249)	(501)	(15,139)	(451,604)	(358,525)	(390,254)	(397,215)	(397,552)	(408,540)
<b>Total operating costs</b>	<b>\$ 645,831</b>	<b>\$ 646,973</b>	<b>\$ 704,381</b>	<b>\$ 398,558</b>	<b>\$ 645,512</b>	<b>\$ 680,356</b>	<b>\$ 726,552</b>	<b>\$ 696,370</b>	<b>\$ 734,320</b>
<b>Determination of Common Service Costs</b>									
Total operating costs as per above	\$ 645,831	\$ 646,973	\$ 704,381	\$ 398,558	\$ 645,512	\$ 680,356	\$ 726,552	\$ 696,370	\$ 734,320
Add back cost recoveries for Admin fee	-	-	10,014	280,938	323,068	348,504	366,355	397,552	408,540
<b><u>Hydro specific costs excluded from cost allocation</u></b>									
Recharged salaries					(67,536)	(105,147)	(99,278)	(112,506)	(85,488)
Group insurance refund				150,000					
<b>A Total</b>	<b>\$ 645,831</b>	<b>\$ 646,973</b>	<b>\$ 714,395</b>	<b>\$ 829,496</b>	<b>\$ 901,044</b>	<b>\$ 923,714</b>	<b>\$ 993,629</b>	<b>\$ 981,416</b>	<b>\$ 1,057,372</b>
<b>Allocations</b>									
<b>B Total FTEs</b>				1,262.1	1,290.2	1,306.7	1,334.3	1,492.3	1,610.3
<b>C Cost per FTE (A / B)</b>				\$ 657	\$ 698	\$ 707	\$ 745	\$ 658	\$ 657
<b>D Hydro Regulated FTEs</b>				832.5	827.6	813.7	815.4	887.8	954.9
<b>E Other lines of business FTEs</b>				429.6	462.6	493.0	518.9	604.5	655.4
<b>Total FTEs</b>				1,262.1	1,290.2	1,306.7	1,334.3	1,492.3	1,610.3
<b>F Hydro Regulated (C * D) <sup>2</sup></b>	<b>\$ 645,831</b>	<b>\$ 646,973</b>	<b>\$ 704,381</b>	<b>\$ 547,121</b>	<b>\$ 577,975</b>	<b>\$ 575,209</b>	<b>\$ 607,214</b>	<b>\$ 583,865</b>	<b>\$ 627,016</b>
<b>G Other lines of business (C * E) <sup>2</sup></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,014</b>	<b>\$ 282,374</b>	<b>\$ 323,068</b>	<b>\$ 348,504</b>	<b>\$ 386,415</b>	<b>\$ 397,551</b>	<b>\$ 430,356</b>
<b>Total</b>	<b>\$ 645,831</b>	<b>\$ 646,973</b>	<b>\$ 714,395</b>	<b>\$ 829,496</b>	<b>\$ 901,044</b>	<b>\$ 923,714</b>	<b>\$ 993,629</b>	<b>\$ 981,416</b>	<b>\$ 1,057,372</b>

## Notes

1. 2010 was the first year of the new Admin fee methodology.
2. Calculations in F and G begin in 2010.