

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

3 Page 7, lines 6-9 - Provide the number of Nalcor employees providing labour
4 relations services to Hydro or other legal entities each year for 2007 to 2012 and
5 budgeted for 2013 to 2015.

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8 A. From 2007 to 2011, there was one Manager of Labour Relations who provided
9 labour relations services to Hydro (and other legal entities). Functional leads in
10 other lines of businesses supported this service. Specific to Hydro was a Human
11 Resource Lead – Hydro, who provided generalist support and who reported directly
12 to the Manager of Human Resources. The cost for the corporate labour relations
13 service provided by the Manager of Labour Relations was directly charged to the
14 appropriate line of business using a set billing rate as described in Exhibit 8.

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16 With the resignation of the Manager of Labour Relations in late 2011, the Corporate
17 Labour Relations function was restructured and assumed by the Manager of Human
18 Resources in a new position called the Manager of Human Resources and Labour
19 Relations (in early 2012). The cost for corporate labour relations services provided
20 by this Manager continues to be directly charged to the appropriate line of
21 business, including Hydro.

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23 Under this new structure, there is currently a Human Resources/Labour Relations
24 (HR/LR) Lead and an HR/LR Advisor who support both human resources and labour
25 relations functions and who are dedicated to Hydro and report directly to the
26 Manager, Human Resources and Labour Relations. As a result of reporting directly
27 to a corporate services function, their shared service costs are recovered through

an administration fee as described under Type 1 – Common Service Costs in Exhibit 8.

There is no change anticipated in this structure for 2014 or 2015; however, temporary support may be required to facilitate negotiations in 2014, as five collective agreements are due to expire in that year. Costs associated for any such service will be appropriately allocated to the respective lines of business and/or common services, as appropriate, and as described in Exhibit 8.