

IN THE MATTER OF the
Public Utilities Act, RSNL 1990,
Chapter P-47 (the *Act*) as amended; and

IN THE MATTER OF a general rate
Application (the "Application")
by Newfoundland Power Inc.
("Newfoundland Power") to establish
Customer electricity rates for 2013 and 2014.

**Requests for Information by
The Consumer Advocate**

CA-NP-388 to CA-NP-510

October 17, 2012

1 CA-NP-388 Page 3 of NP's Application indicates that the company is seeking to set
2 rates in 2013 and 2014 that will recover the forecast revenue requirement
3 in 2013 and 2014. This application therefore proposes to adopt a
4 two-year test period for this application.

5
6 Please confirm that the company is seeking to set rates for a two-year
7 period with rates being sufficient to recover the forecast two-year revenue
8 requirement.

9
10 CA-NP-389 Page 3 of NP's Application indicates that the company is seeking to set
11 rates in 2013 and 2014 that will recover the forecast revenue requirement
12 in 2013 and 2014. This application therefore proposes to adopt a
13 two-year test period for this application.

14
15 Please provide the company's rationale for bring forward an application
16 based on a two-year test period, rather than the traditional one-year test
17 period.

18

1 CA-NP-390

Page 3 of NP's Application indicates that the company is seeking to set rates in 2013 and 2014 that will recover the forecast revenue requirement in 2013 and 2014. This application therefore proposes to adopt a two-year test period for this application.

Please provide details of Canadian precedents for regulated utilities proposing, and/or regulators approving, rates for a multi-year test period based on a multi-year revenue requirement forecast.

10 CA-NP-391

Page 3 of NP's Application indicates that the company is seeking to set rates in 2013 and 2014 that will recover the forecast revenue requirement in 2013 and 2014. This application therefore proposes to adopt a two-year test period for this application.

Please confirm that the proposed rates will over-recover the 2013 revenue requirement and under-recover the 2014 revenue requirement.

18 CA-NP-392

Page 3 of NP's Application indicates that the company is seeking to set rates in 2013 and 2014 that will recover the forecast revenue requirement in 2013 and 2014. This application therefore proposes to adopt a two-year test period for this application.

Please confirm that the company's proposals do not include recognizing interest, or the equivalent thereof, for the excess revenues collected from customers in 2013.

27 CA-NP-393

Page 3 of NP's Application indicates that the company is seeking to set rates in 2013 and 2014 that will recover the forecast revenue requirement in 2013 and 2014. This application therefore proposes to adopt a two-year test period for this application.

Please discuss alternative approaches that would recognize the benefit to NP of pre-collecting a portion of NP's forecast 2014 revenue requirement, such as using a deferral account to capture the over-collection in 2013

1 and dispose of that over-collection in 2014, with interest being credited on
2 the deferral account balance.

3
4 CA-NP-394 Page 3 of NP's Application indicates that the company is seeking to set
5 rates in 2013 and 2014 that will recover the forecast revenue requirement
6 in 2013 and 2014. This application therefore proposes to adopt a
7 two-year test period for this application.

8
9 Please explain why NP is not proposing to set rates in each test year that
10 is only sufficient to recover each year's revenue requirement, or
11 alternatively to escalate rates over the two years with two smaller
12 increases, in order to moderate the first-year increase while still
13 recovering the two-year revenue requirement.

14
15 CA-NP-395 Table 3-24 presents the proposed amortization of regulatory deferrals. If
16 the proposed amortization is accepted, the approved rates will be set at a
17 level that is sufficient to recover \$626,000 in amortizations in 2013 and
18 2014. Also, if there is a GRA for the 2015 rate year, rates would be set
19 at a level sufficient to recover \$831,000 of regulatory deferrals.

20
21 Please confirm that the amortized regulatory deferrals will be costs that
22 are no longer borne by the company commencing in 2016.

23
24 CA-NP-396 Table 3-24 presents the proposed amortization of regulatory deferrals. If
25 the proposed amortization is accepted, the approved rates will be set at a
26 level that is sufficient to recover \$626,000 in amortizations in 2013 and
27 2014. Also, if there is a GRA for the 2015 rate year, rates would be set
28 at a level sufficient to recover \$831,000 of regulatory deferrals.

29
30 Please confirm that rates in 2016 and subsequent years should not
31 include the recovery of any costs associated with these regulatory
32 deferrals.

33

1 CA-NP-397 Table 3-24 presents the proposed amortization of regulatory deferrals. If
2 the proposed amortization is accepted, the approved rates will be set at a
3 level that is sufficient to recover \$626,000 in amortizations in 2013 and
4 2014. Also, if there is a GRA for the 2015 rate year, rates would be set
5 at a level sufficient to recover \$831,000 of regulatory deferrals.

6
7 Has NP considered options for ensuring that the amortization of these
8 regulatory deferrals are removed from rates after 2015, such as
9 recovering these costs through a rate rider that would expire as of
10 December 31, 2015? If so, please provide the options considered by the
11 company for removing these costs from rates when they are no longer
12 borne and the advantages and disadvantages of each option.

13
14 CA-NP-398 Please provide a copy and details of NP's five year financial forecast. To
15 the extent not addressed as part of the five year financial forecast, please
16 forecast all changes in the revenue requirement and required rate action
17 for the next five years.

18
19 CA-NP-399 Please provide a list of all regulatory mechanisms currently in use, and
20 proposed in this Application. The list should identify the mechanism, the
21 year implemented, provide a brief description including the formula and
22 show amounts in reserve currently and in each of the previous four years.

23
24 CA-NP-400 According to Exhibits 9 and 10, Newfoundland Power is seeking an
25 increase in revenue in rates of \$27.8 million in 2012 and \$34.2 million in
26 2014 relative to the revenue from existing rates. Please provide a
27 breakdown of the proposed increase in revenue from rates in the format
28 used in reply to CA-NP-66 in Newfoundland Power's 2010 GRA.

29
30 CA-NP-401 Please provide a table (in the format used in reply to CA-NP-68 in the
31 2010 GRA) comparing the 2013 and 2014 regulated returns on equity in
32 terms of both dollar amount and percentage increase to the actual
33 regulated returns on common equity from 2007 to 2011 and forecast
34 2012.

- 1
- 2 CA-NP-402 Please provide a table(s) showing both the proposed and Board allowed
- 3 average increase for each rate class in Newfoundland Power's prior
- 4 GRAs since 1990 and also provide the proposed increases in this
- 5 Application.
- 6
- 7 CA-NP-403 Please compare the requested increase in revenue from rates in this
- 8 Application with the requests by Newfoundland Power in its GRA back to
- 9 1990.
- 10
- 11 CA-NP-404 Please provide the impact of proposed rates relative to existing rates on
- 12 annual electricity costs for 2013 and 2014 in the format used in reply to
- 13 CA-NP-71 of the 2010 GRA.
- 14
- 15 CA-NP-405 Please provide a table (in the format used in reply to CA-NP-72 of the
- 16 2010 GRA) showing the percentage rate increases relative to existing
- 17 rates for each customer class for different ranges of consumption within
- 18 each class. Please also provide an indication of the percentage of
- 19 customers that fall within each consumption range.
- 20
- 21 CA-NP-406 Assuming Newfoundland Power's proposed rates, tolls and charges are
- 22 approved as filed, please confirm the percentage by which customer rates
- 23 will have increased on a compounded basis since:
- 24 a. 2007;
- 25 b. 2008; and
- 26 c. 2009.
- 27
- 28 CA-NP-407 Please provide a table showing the contribution of Newfoundland Power's
- 29 costs to the total cost of electricity on a kWh basis for the period 2004 to
- 30 2014 (f).
- 31
- 32 CA-NP-408 What offsetting savings are incorporated in the 2013 and 2014 revenue
- 33 requirement as a result of Newfoundland Power's investment in capital
- 34 projects and other initiatives undertaken by Newfoundland Power?

1		
2	CA-NP-409	When does Newfoundland Power expect to update its revenue and
3		expense forecasts relative to this GRA?
4		
5	CA-NP-410	When were the departmental budgets consolidated into a corporate
6		forecast and when was the corporate forecast reviewed and approved by
7		Newfoundland Power's Executive? Please also provide a table
8		comparing the original consolidated corporate forecast to that approved
9		by the Executive and contained in this GRA.
10		
11	CA-NP-411	Further to the previous question, please explain the basis for any
12		changes made to the forecast when it was approved by the Executive.
13		
14	CA-NP-412	Please provide a copy of the departmental budgets as submitted and as
15		approved for each of 2010, 2011 and 2012 and show the actuals for 2010
16		and 2011 and forecast for 2012.
17		
18	CA-NP-413	Please provide a breakdown of how much was budgeted, if any, by
19		Newfoundland Power for the years 2007 to 2012 by way of Operating
20		Costs for extraordinary storm events including for Labour, Materials and
21		Equipment and Travel. In respect of each of those years, provide a
22		breakdown of what was actually expended and provide a brief description
23		of the storm events in question.
24		
25	CA-NP-414	Please describe the methodology that Newfoundland Power uses to
26		forecast operating costs for storm events. Has the methodology
27		changed over the last 5 years?
28		
29	CA-NP-415	What information does Newfoundland Power have as regards to how
30		other Canadian utilities forecast expenses for such events?
31		
32	CA-NP-416	Please confirm that the Company's 2008 test year actual operating costs
33		were significantly lower than forecast at Newfoundland Power's 2007
34		GRA.

1

2 CA-NP-417 Please show Newfoundland Power's 2010 test year forecast for operating

3 costs and compare it to the 2010 actuals. In replying, please provide the

4 Operating Costs by Breakdown and provide a detailed explanation for any

5 variances.

6

7 CA-NP-418 In either 2013 and 2014, is Newfoundland Power projecting labour

8 productivity improvement to offset forecast labour cost increases. If yes,

9 please detail. If not, why not?

10

11 CA-NP-419 In the years 2008 to 2012 (f), which level of productivity improvements

12 were forecast and what was achieved, as applicable.

13

14 CA-NP-420 How many linespersons, industrial electricians, millwrights, technologists

15 and engineers have left Newfoundland Power other than by way of

16 retirement or death in each of the years from 2008 to date?

17

18 CA-NP-421 Please provide the number, title and location of positions which NP has

19 publically advertised over each of the years 2010 to 2012 as well as the

20 amount of time elapsed from advertisement to the filling of the positions

21 together with the number of qualified applications received for each

22 position.

23

24 CA-NP-422 Please provide the number of applications Newfoundland Power currently

25 has on file for persons seeking employment with Newfoundland Power.

26 Please separate the amounts by position and compare the number to

27 those presented in CA-NP-108 of Newfoundland Power's 2010 GRA.

28

29 CA-NP-423 At page 2-23, it states that "An increase in FTEs related to the

30 management of demographics is expected to be transitional in nature."

31 What specific increase in FTEs is being referred to and when will the

32 transitional period be complete? Once the transitional period is

33 complete, how many FTEs are forecast for the Company?

34

1 CA-NP-424 At p. 2-29, it states, "Newfoundland Power's labour costs are forecast to
2 increase by an average of 3.2% annually for 2010 to 2014. The increase
3 is 1% lower per year than the Company's average labour rate increase
4 over the period. Labour rate increases, expansion of customer energy
5 conservation programs, and response to changing workforce
6 demographics are primary drivers of the increases in labour costs."
7 What proportion does each of these primary drivers bear of the increases
8 in labour costs?
9

10 CA-NP-425 Please provide over the period 2004 to 2012 with forecasts for 2013 and
11 2014 the number of FTEs broken down by Management and Union.
12

13 CA-NP-426 Further to the previous question, over the period 2004 to 2012 with
14 forecasts for 2013 and 2014, please provide the number of Managerial
15 FTEs broken down by executive, manager, supervisory, front line
16 technical staff, non-union clerical staff and professionals.
17

18 CA-NP-427 Over the period 2007 to 2014 (f), please provide the number of
19 employees who were (or will be) eligible to retire, broken down by
20 position. Please indicate the actual date each of these employee(s)
21 retired, as appropriate, together with their age and years of service when
22 they retired. For those who retired, please compare the date when
23 eligible to retire versus date when the employee actually retired.
24

25 CA-NP-428 Over the period 2007 to 2014 (f), please provide the number of new hires
26 broken down by position.
27

28 CA-NP-429 For each retirement and each corresponding new replacement hire over
29 2010, 2011 and 2012, please indicate the salary of the retiring employee
30 versus the salary of the new replacement hire.
31

32 CA-NP-430 What is the typical ratio of a new hire's salary versus retiring employee's
33 salary across positions of the Company.
34

1 CA-NP-431

How many employees does Newfoundland power have who are presently:

- 3 a. age 60 or older;
- 4 b. age 55 to 59;
- 5 c. age 50 to 54;
- 6 d. age 49 to 53;
- 7 e. age 44 to 48;
- 8 f. age 39 to 43;
- 9 g. age 34 to 38;
- 10 h. age 29 to 33;
- 11 i. age 24 to 28;
- 12 j. age less than 23.

14 CA-NP-432

Footnote 13 of p. 3 of the Labour Forecast states that, "The time period between employees entering and leaving the workforce can be either negative or positive. For example if a replacement employee arrives before a senior employee retires to avail of a training opportunity, then this will increase the FTE count and labour expense. However, if there is a period of time a position remains vacant awaiting a replacement employee to enter the workforce, then this will decrease the FTE and labour expense."

- 23 a. What overlap was experienced in 2010, 2011 and 2012 (f) and
24 what amount of overlap (i.e. replacement employee arriving before
25 a senior employee retires) is assumed to exist in 2013 and 2014
26 and what is the basis for this assumption?
- 27
- 28 b. What vacancy was experienced in 2010, 2011 and 2012 (f) and
29 what level is assumed to exist in 2013 and 2014 and what is the
30 basis for the assumption?

32 CA-NP-433

In Newfoundland Power's 2013 and 2014 Internal Labour Forecasts, what assumption does the Company make as to when in the year an employee will retire? Please provide the basis for that assumption.

1
2 CA-NP-434 Over each of the past 5 years, how many employees retired before
3 reaching age 65 or before reaching age 60 with years of service plus age
4 equalling 95 years?
5

6 CA-NP-435 In reply to CA-NP-334 in Newfoundland Power's 2008 GRA,
7 Newfoundland Power stated that, "Through personal retirement planning
8 consultations with employees who are eligible to retire management
9 further refines its estimate of the numbers of employees who will likely
10 retire." Are likely retirements which are discovered through this process
11 reflected in the Employee Retirement assumptions in the 2013 and 2014
12 Internal labour Forecasts or are retirement estimates based solely upon
13 employees reaching age 65, or reaching age 60 with the combination of
14 95 years of age plus service. If likely retirements are not taken into
15 account, why not?
16

17 CA-NP-436 What inquiries has Newfoundland Power made to determine likely
18 retirements in 2012, 2013 and 2014 and what are the results of the same
19 and how have the results been reflected in the 2013 and 2014 Internal
20 Labour Forecasts?
21

22 CA-NP-437 Why does Newfoundland Power not provide a detailed 2014 Internal
23 Labour Forecast? Please provide one in the form provided for 2012 and
24 2013.
25

26 CA-NP-438 Please provide a copy of Newfoundland Power's organizational chart.
27

28 CA-NP-439 Please provide a copy of all reports provided to Management in respect of
29 employee benefits/compensation for 2007 to present.
30

31 CA-NP-440 Please provide a copy of Newfoundland Power's current Manager and
32 Executive Group Salary policy and incentive targets, with the text of the
33 policies provided.
34

1 CA-NP-441 What Manager and Executive salaries and incentive targets are reflected
2 in the 2013 and 2014 test years?
3

4 CA-NP-442 Please provide for 2008 to 2012 documentation pertaining to the median
5 of salaries paid by Canadian Commercial Industrial Companies.
6

7 CA-NP-443 Please provide in respect of 2008 to 2012 copies of the Short Term
8 Incentive Plan performance targets for each Newfoundland Power
9 employee eligible to participate in the same; and the actuals paid out
10 relative to the amount eligible for pay-out.
11

12 CA-NP-444 How does wages for Newfoundland Power's unionized and non-unionized
13 employees compare with those at Newfoundland and Labrador Hydro;
14 and those in Atlantic Canada more generally.
15

16 CA-NP-445 How have been the base salary increases for Newfoundland Power's
17 Engineering, Professional and Managerial Employee Salary increases
18 from 2000 to 2012 and how have the increases compared with the annual
19 inflation rate?
20

21 CA-NP-446 Further to the previous question, what percentage increase is forecast for
22 2013 and 2014 and how does the same compare to forecast inflation?
23

24 CA-NP-447 Please provide a table showing the total Executive compensation
25 provided to the President, Vice-President and Managers for the Company
26 for 2000 to 2014 (f) showing the annual percentage of increase/decrease,
27 as the case may be, and actual dollar amounts.
28

29 CA-NP-448 Please provide tables showing the base salary for each Executive for the
30 years 2004 to 2014 (f), with the annual change expressed as a
31 percentage.
32

33 CA-NP-449 In accordance with Order No. P.U. 19 (2003), STI payouts in excel of 1
34 times the target percentage payouts are to be charged to non-regulated

1 expenses. From 2004 to present, detail all instances where STI payouts
2 exceeded the target percentage payouts.

3
4 CA-NP-450 As regards the pay of Fortis Inc. and related utilities' executives, please
5 provide the latest update in the form provided in CA-NP-287 in the 2010
6 GRA.

7
8 CA-NP-451 Please outline any changes to the Short-term Incentive Plan made since
9 it was described in reply to CA-NP-128 in the 2010 Newfoundland Power
10 GRA.

11
12 CA-NP-452 Is the factor of earnings – being corporate earnings as per the Company's
13 year-end audits and financial statements – still a factor upon which
14 customers bear the cost of compensation under Newfoundland Power's
15 Short-term Incentive Plan. If so, please explain why customers should
16 pay for that as opposed to the shareholder. In answering, please provide
17 any regulatory precedents which support this position.

18
19 CA-NP-453 In reply to CA-NP-131 of the last GRA, Newfoundland Power indicated
20 that it had 43 vehicles in its fleet that were unmarked. Please provide
21 Table 1 to CA-NP-131 together with an updated table.

22
23 CA-NP-454 Provide a copy of Newfoundland Power's current Guidelines for personal
24 Use of Company Vehicles. Please also indicate any changes made to it
25 over the past 3 years.

26
27 CA-NP-455 Which Newfoundland Power employees/positions are permitted to take a
28 company vehicle home for the evening as a matter of course and please
29 indicate if their vehicle is marked or un-marked.

30
31 CA-NP-456 Which Newfoundland Power positions are allowed to use vehicles which
32 they take home, whether marked or not, at their own discretion, for
33 whatever use they choose, as they would their private vehicle? Which
34 positions are not entitled to this usage?

1

2 CA-NP-457 Further to the previous question, please indicate why those who are not

3 entitled to use a vehicle at their own discretion should not have marked

4 company vehicles?

5

6 CA-NP-458 Has Newfoundland Power any evidence that would indicate that

7 un-marked vehicles are more effective for responding to after hour calls

8 than marked vehicles.

9

10 CA-NP-459 Please provide a comparison of Newfoundland Power's forecast 2010

11 Operating Costs by Breakdown versus actual for 2010 as shown in

12 Exhibit 2.

13

14 CA-NP-460 As regards Operating Costs by Breakdown, particularly Other Company

15 Fees at line 20, actual 2010 costs were \$1,692,000 whereas as stated in

16 reply to CA-NP-135 (1st Revision) of the 2010 GRA, the amount forecast

17 was \$1,904,000. Please explain why this cost was approximately

18 \$200,000 less than forecast.

19

20 CA-NP-461 Please provide a breakdown of Other Company Fees at Exhibit 2 for each

21 of the years 2010 to 2014 (f).

22

23 CA-NP-462 Exhibit 2 – Postage at line 24. Please explain why postage costs are

24 increasing when e-bills participation has been steadily increasing as

25 shown over the period 2007 to 2011 in Table 2-4 at p. 2-7 of Volume I.

26

27 CA-NP-463 Further to the previous question, please expand Table 2-4 to show e-bills

28 participation for 2012 (to date) and forecast, and 2013 (f) to 2014 (f).

29

30 CA-NP-464 How much in postage does an e-bill customer save the Company?

31

32 CA-NP-465 How much has Newfoundland Power expended by way of capital on its

33 e-bills initiative?

34

1	CA-NP-466	What efforts does Newfoundland Power make to encourage e-bills
2		participation?
3		
4	CA-NP-467	Operating Costs by Function: 2010 to 2014F - Exhibit 1
5		Please provide a breakdown for the 2010 to 2014 forecast costs of
6		Administration and Engineering support. Please explain the
7		approximately \$1,000,000 increase from 2010 to 2011, 2012 (f) and 2013
8		(f).
9		
10	CA-NP-468	Operating Costs by Function: 2010 to 2014F - Exhibit 1
11		Please provide a breakdown for the 2010 and 2011 Actuals and the 2012
12		to 2014 Forecast for Fleet Operations and Maintenance and please
13		explain why the numbers are different for 2011 forward than those for
14		Vehicle Expenses under Operating Costs by breakdown: 2010 to 2014F
15		Exhibit 2.
16		
17	CA-NP-469	Operating Costs by Function - Exhibit 1
18		Please provide a breakdown of Customer Services 2010 to 2014 (f).
19		
20	CA-NP-470	Operating Costs by Function: 2010 to 2014F - Exhibit 1
21		Please provide a breakdown for the 2012 to 2014 Forecast costs of
22		Conservation
23		
24	CA-NP-471	Operating Costs by Function: 2010 to 2014F - Exhibit 1
25		Please explain the \$403,000.00 increase in Uncollectable Bills between
26		2010 and 2011 and the reduction in this 2011 amount in the 2012 to 2014
27		forecasted costs.
28		
29	CA-NP-472	Operating Costs by Function: 2010 to 2014F - Exhibit 1
30		Please provide a breakdown in table form outlining the costs which
31		compose the heading Corporate and Employee Services from 2010
32		Actual to 2014 Forecast.
33		
34	CA-NP-473	Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2

1 Please provide the explanation for the forecast reduction in overtime from
2 2010 Actual to 2012-2014 Forecast.

3
4 CA-NP-474 Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2
5 Please indicate the breakdown of the expenditures on overtime from 2010
6 to 2014 (f) by position held in the Company.

7
8 CA-NP-475 Please describe the terms and conditions for the payment of overtime at
9 Newfoundland Power.

10
11 CA-NP-476 Which employees at Newfoundland Power are not eligible to receive
12 overtime pay?

13
14 CA-NP-477 How is the working and payment of overtime approved at Newfoundland
15 Power?

16
17 CA-NP-478 What is the breakdown between Regular and Stand by costs for 2010 to
18 2014 (f).

19
20 CA-NP-479 What is the terms and conditions applicable to Stand by pay?

21
22 CA-NP-480 Under what line item in Operating Costs by Breakdown does Retiring
23 Allowance fall?

24
25 CA-NP-481 Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2
26 Disregarding the "Temporary" and "Overtime" portions of Total Labour,
27 Regular and Standby increase from \$26,568,000.00 in 2010 Actual to
28 \$31,023,000.00 in labour costs in 2014F. Please outline, showing
29 breakdown, the reasons for this increase.

30
31 CA-NP-482 Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2
32 Please provide a detailed breakdown of the composition of the heading,
33 "Plants, Subs, System Oper and Bldgs."
34

1 CA-NP-483 Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2
2 Please provide a detailed cost breakdown of the heading "Miscellaneous"
3 for 2010 Actual to 2014 Forecast and identify if its composition changes
4 during these years and if so, what those changes are.
5

6 CA-NP-484 Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2
7 In 2010, \$500,000.00 of the \$712,000.00 indicated under "Severance &
8 Other Employee Costs" was severance. Why was this year so high
9 relative to the years that follow and are forecast?
10

11 CA-NP-485 Operating Costs by Breakdown: 2010 to 2014F Exhibit 2:
12 Please explain in detail, the anticipated cost increase from 2010 Actual to
13 2014F under the heading "Other Company Fees" and provide a detailed
14 breakdown of the costs that compose this heading.
15

16 CA-NP-486 Operating Costs by Breakdown: 2010 to 2014F - Exhibit 2
17 Please provide a breakdown of the heading "Advertising" for 2010 Actual
18 to 2014 Forecast detailing the specific breakdown of media used or
19 forecast to be used.
20

21 CA-NP-487 Section 2.3.1 p. 2-28:
22 Please explain how regulatory activity has increased labour costs.
23

24 CA-NP-488 Section 2.3.1. p .2-28, footnote 57,
25 Please explain what is meant by "succession planning for regulatory
26 affairs" and how has this led to increased labour costs?
27

28 CA-NP-489 Section 2.3.1. p. 2-28, line 14, refers to "including increased levels of
29 retirement..." Please explain how this statement compares with the
30 employee retirement (FTE) numbers outlined in Schedules A and B of tab
31 2 "Labour Forecast 2012-2014 of Volume 2 GRA Exhibits and Supporting
32 Materials.
33

34 CA-NP-490 Section 2.3.1. p. 2-30, line 2

Please elaborate on what is meant by “changing workforce demographics”.

CA-NP-491 Has there been a period over the last 15 years when Newfoundland Power was not responding to changing workforce demographics?

CA-NP-492 Section 2.3.1 p. 2-30 lines 5-10 and footnotes 61 and 62

Under other costs for 2014, disregarding:

- a. Customer energy conservation costs of \$2,000,000.00 (Approx);
- b. Increased vehicle expenses of \$400,000.00 (Approx):
- c. Increase in Board assessment of \$300,000.00 (Approx); and
- d. Increase in operating materials of \$450,000.00 (Approx).

Please explain in detail the costs associated with the remaining \$1.15M of the forecasted \$4.3M.

CA-NP-493 What are the new contracting arrangements regarding streetlight maintenance in the Northeast Avalon referred to at p. 2-30, footnote 62?

CA-NP-494 Section 2.3.1. Footnote 63, p.2-31

Please provide a detailed breakdown of the composite corporate labour rate including the division between labour and management.

CA-NP-495 Please provide a detailed breakdown of the union and management portions of the forecasted regular and standby labour costs to 2014 forecast.

CA-NP-496 Section 2.3.1. footnote 64:

Please provide the monetary amounts represented by the percentage referred to therein for the period 2010 Actual to 2014 Forecast.

CA-NP-497 Please provide the number of Apprentice Power Line Technicians that will change employment status from temporary to regular for the period of 2012 to 2014 F.

1		
2	CA-NP-498	Please provide an update as to the Mobile river watershed matter.
3		
4	CA-NP-499	Please provide a breakdown of the costs of professional service costs for
5		2006 to 2014 (f), and provide the portion of same attributable to this GRA
6		proceeding.
7		
8	CA-NP-500	Please provide tables showing Inter-Corporate charges to Affiliates and
9		Regulated Charges from Affiliates for 2002 to 2014 (f).
10		
11	CA-NP-501	Please provide details as to Newfoundland Power's personnel from 2007
12		to present who have been seconded to other Fortis Inc. related
13		companies.
14		
15	CA-NP-502	What are the current mark-up rate(s) applied to Newfoundland Power
16		employees who provide services to Fortis Inc. related companies.
17		
18	CA-NP-503	Please provide details as to Fortis Development Incentives from 2005 to
19		present paid to Newfoundland Power employees.
20		
21	CA-NP-504	Please detail any and all reforms to group and OPEBs benefits
22		undertaken since Newfoundland Power's last GRA and detail the cost
23		savings realized thereby.
24		
25	CA-NP-505	Please provide a copy of any reports received by Newfoundland Power in
26		relation to its group insurance plan since AON's report of December 21,
27		2005.
28		
29	CA-NP-506	Please outline Newfoundland Power's policy as regards Retirement
30		Allowances for retiring employees.
31		
32	CA-NP-507	What is the rationale for the payment of Retirement Allowances?
33		

1 CA-NP-508 Please explain whether the payment of Retirement Allowances is a term
2 of collective agreements and/or employment contracts with employees.

3
4 CA-NP-509 Please confirm whether Maritime Electric, and Fortis Alta and Fortis B.C.
5 pays such allowances to retiring employees.

6
7 CA-NP-510 How much has been paid by way of Retiring Allowances over 2007 to
8 2012 and how much is forecast in 2013 and 2014.

9
10
11
Dated at St. John's in the Province of Newfoundland and Labrador, this 17th day of October,
2012.



Thomas Johnson
Consumer Advocate
323 Duckworth Street
St. John's, NL A1C 5X4
Telephone: (709)726-3524
Facsimile: (709)726-9600
Email: tjohnson@odeaearle.ca