

1 **Q. Section 2.3.1. p. 2-30, line 2**

2
3 **Please elaborate on what is meant by “changing workforce demographics”.**

4
5 **A.** “Changing workforce demographics” refers to changing characteristics, such as age and
6 work experience, of Newfoundland Power’s workforce. Charts 1, 2 and 3 show the
7 number of years of service of Company employees in 2007, 2012 and 2017, respectively.
8
9

Chart 1
Employee Years of Service
2007

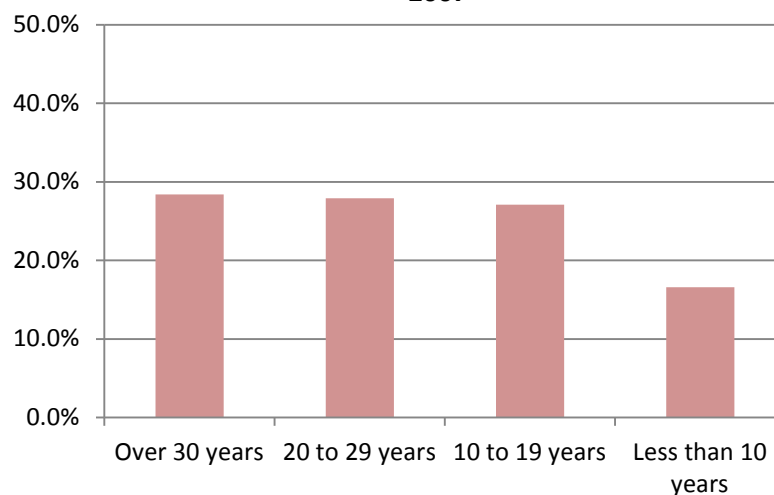


Chart 2
Employee Years of Service
2012

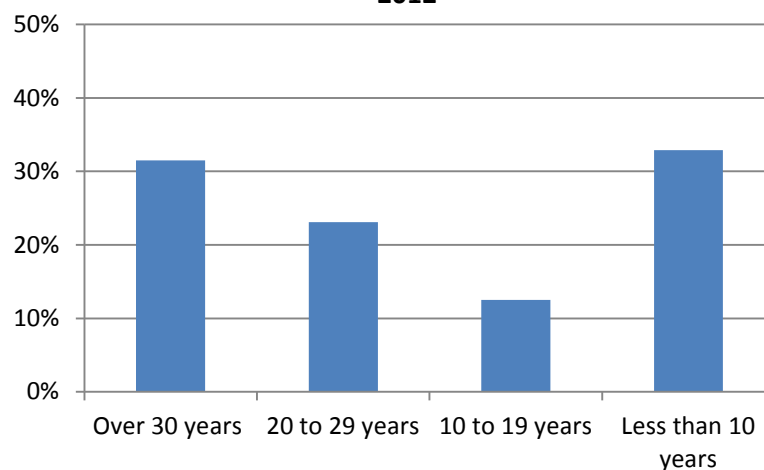
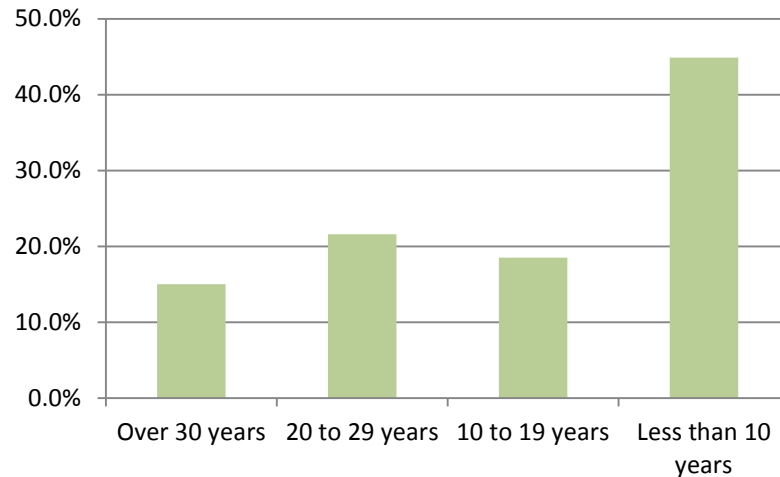


Chart 3
Employee Years of Service
2017



In 2007, approximately 28% of Newfoundland Power's workforce had 30 or more years of service.¹ Employees with less than 10 years of service made up the smallest group, at approximately 15%.

In 2012, approximately 32% of the Company's workforce has 30 or more years of service, while another 33% of its workforce has less than 10 years of service. This reflects the higher level of employee turnover the Company is experiencing, primarily due to retirements, which is impacting the composition of the Company's workforce.

By 2017, employees with 30 or more years of service are forecast to make up the smallest group, at approximately 15%. Employees with less than 10 years of service are forecast to make up the largest group, at approximately 45%. This reflects the forecast continuation of higher levels of employee turnover over the next 5 years.

This shift in the profile of employees' years of service is one example of the characteristics of Newfoundland Power's workforce referred to in terms of changing workforce demographics.

¹ The 2007 data reflects the impact of the Company's last Early Retirement Program, which was offered two years earlier in 2005 and resulted in 76 retirements primarily from the most experienced employee groups.