

Volume 1, Section 2 – Customer Operations

Q. (page 19) Reference is made to an Early Retirement Program (ERP) offered in the first quarter of 2005. At the time that ERP was offered please provide:

- a. The number and percentage of employees in the core utility occupations at NP including lineworkers, industrial electricians and millwright, technologists and engineers who were to be eligible for retirement in 2010 and 2015 respectively.**
- b. The number of employees (broken down by position) who accepted the ERP in 2005.**
- c. The number of new hires since 2005 to replace those employees (and/or their functions) who accepted the ERP in 2005.**

A. (a) Table 1 shows the number and percentage of employees eligible for retirement in 2010 and 2015, respectively, by core utility occupation as at December 31st, 2004. Retirement eligibility is based on the earliest retirement permitted under the Newfoundland Power retirement income plan, which provides for early retirement with reduced pension benefits at an age and service combination of 85 years, or a minimum age of 55.

**Table 1
Employees¹ Eligible² to Retire
as at December 31st, 2004**

Description	Occupation Group				
	Electrician	Lineworker	Millwright	Technologist	Engineer
Employees eligible to retire up to and including 2010	19	100	14	47	12
% eligible to retire up to and including 2010	67.9%	58.1%	82.4%	52.2%	37.5%
Employees eligible to retire up to and including 2015	23	126	15	69	16
% eligible to retire up to and including 2015	82.1%	73.3%	88.2%	76.7%	50.0%
Total Regular Employees	28	172	17	90	32

¹ Regular Employees as at December 31st, 2004.

² Eligibility for reduced pension benefits is based on age 55 or age/service combination of 85 years.

- 1 (b) Table 2 outlines the number of employees who accepted the Early Retirement
2 Program offered in 2005. Two other employees retired in 2005, but those
3 retirements were not pursuant to the terms of the Early Retirement Program.
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Table 2
Number of Employees Accepting Early Retirement Program
in 2005 by Occupation Group

Electrician	Lineperson	Millwright	Technologist	Engineer	Other	Total
4	32	3	13	2	22	76

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7 A total of 21 employees were hired in 2005 to replace 76 employees who elected
8 to retire under the Early Retirement Program. Out of these new hires, 14 were
9 hired as regular full-time employees.

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11 (c) Table 3 shows the number of employees hired as a direct result of the Early
12 Retirement Program. Other hiring activity in 2005 was the result of normal relief
13 requirements and/or events occurring outside of the Early Retirement Program.
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Table 3
Employees Hired in 2005¹ to Replace Retired Workers

Occupation Group					
Electrician	Lineperson	Millwright	Technologist	Other	Total
1	11	1	5	3	21

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16 ¹ Does not include hires resulting from organizational requirements outside of ERP.