

1 Q. **Asset Management**

2 Does Hydro consider the need for increased skilled Full-Time Employees (FTE)
3 workers, or additional contractor workers, as part of identifying total resource
4 needs to accomplish anticipated Transmission and Rural Operations (TRO)
5 operations and maintenance (O&M) work, capital project work, and emergency
6 work? Explain how Hydro is planning to provide the resources needed for the
7 accelerated TRO O&M and capital work over the next few years.

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10 A. Hydro primarily uses full time equivalent (FTE) employees to complete the
11 corrective and preventative maintenance (O&M) work, which includes emergency
12 repair work. It will use a combination of its employees and contractor resources to
13 undertake the capital program that includes the accelerated air blast breaker
14 replacement program. Hydro staff will be involved in the capital program only
15 where there is capacity to do the work and where necessary for the ongoing safe
16 and reliable operation of Hydro's assets. A large part of the capital program will be
17 completed utilizing contractors.

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19 Hydro determines its FTE employee requirements to complete O&M work and
20 capital projects during the annual work planning and budgeting process. When
21 completing its 2014 budget in 2013, Hydro included an additional P&C resource for
22 2014 and also planned to add additional temporary resources as required for the
23 capital program. During 2014, following the January events, Hydro added additional
24 temporary resources to enable it to complete all work identified to be completed in
25 2014 arising from the review of the January 2014 events. Furthermore, Hydro has
26 recently completed a review of the FTE resources required to complete the 2015
27 annual maintenance plan, completion of the catch-up of the delayed six-year

1 breaker and power transformer maintenance, and the 2015 capital program
2 submitted to the Board for approval. This review has identified a further increase in
3 FTE employees from 2014. The annual work undertaken utilizes a combination of
4 permanent and temporary employees to match the manner in which the level of
5 work changes throughout the year.

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7 Hydro will continue assessing its resource requirements for 2016 and beyond to
8 ensure reliable operation of its assets, which will reflect additional assets coming
9 into service and ongoing assessments of the O&M requirements of existing assets.