

1 **Q. Reference: “2022/2023 General Rate Application,” Newfoundland Power, May 27,**
2 **2021, Volume 2, Section 1, Schedule A, Page 1 of 2, Footnote 15.**

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4 **a) Does the "retirement" line represent 100% of those employees eligible to retire**
5 **in that calendar year?**

6
7 **b) How is attrition by employees who have reached retirement eligibility in**
8 **previous years accounted for?**

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10 **c) How does Newfoundland Power decide which vacant positions will be filled?**

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12 **A. a)** No, the “retirement” line does not necessarily represent 100% of those employees
13 eligible to retire in that calendar year. The “retirement” line typically represents a
14 forecast labour reduction for employees that will become eligible to retire without
15 benefit reduction in that calendar year.¹ However, if an employee directly notifies
16 Human Resources that they plan to retire in that calendar year with benefit reduction,
17 they are also included in the forecast labour reduction. If an employee has indicated
18 that their preference is to delay their retirement, they would remain as an active
19 employee and are accounted for within the internal labour forecast requirements.

20
21 **b)** Employee retirement at Newfoundland Power is at the election of the employee, not
22 the Company. Employees who have reached retirement eligibility in previous years,
23 but have chosen to delay their retirement date, remain active employees and are
24 accounted for within the internal labour forecast requirements.

25
26 **c)** As part of the ongoing management of its business, Newfoundland Power routinely
27 examines work requirements and evaluates opportunities for organizational
28 efficiency. When a vacancy occurs, the position may be filled, blended with other
29 positions or eliminated. In the decision making process, consideration is given to
30 such items as: (i) the resources required to effectively maintain the Company’s
31 electrical system and reasonably meet the expectations of customers; (ii) the
32 availability of technological alternatives; and (iii) the availability and potential use of
33 contract resources and temporary resources.

¹ The Newfoundland Power Retirement Income Plan text effectively states an employee’s retirement date is the first day of the month coincident with or the first day of the month following the month in which the employee has reached the age and years of service combination for retirement under the terms of the plan.