

1 **General**

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3 **Q. Reference: “2025/2026 General Rate Application,” Newfoundland Power Inc.,**  
4 **December 12, 2023, vol. 2, Reports, “Labour Forecast 2024–2026,” p. 1, f.n. 3.**

5 **Are there any administrative, overhead, or additional costs associated with**  
6 **rechargeable and recoverable items including material handling, vehicle service,**  
7 **inter-affiliate labour charges, customer jobbing, and third-party services? Please**  
8 **provide the percentages and calculations of the costs. What portion of these costs**  
9 **are recovered in rates?**

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11 A. Newfoundland Power applies a payroll loading, or overhead rate, to all of its applicable  
12 labour costs, which would include all rechargeable and recoverable (“R&R”) items. R&R  
13 labour in the 2024 to 2026 labour forecast is based upon the estimated workforce  
14 requirements using historical information and does not include a specific breakdown of  
15 the overhead calculation. As such, the requested information cannot be provided. See the  
16 response to Request for Information NLH-NP-095 for additional information on payroll  
17 loading.

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19 The capital and R&R labour figures provided in the Labour Forecast 2024-2026 Report  
20 for the 2024 to 2026 forecast are not used to calculate the Company’s 2025 and 2026 test  
21 year revenue requirements. Test year revenue requirements for 2025 and 2026 are based  
22 on the Company’s *2024 Capital Budget Application* approved by the Board in Order No.  
23 P.U. 2 (2024).

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25 R&R labour includes labour associated with retirement of plant, which is based on the  
26 Company’s capital expenditure forecast. It also includes labour recovered through direct  
27 billings and not through customer rates. Therefore, these labour amounts are not included  
28 in revenue requirement calculations.