

- 1 **Q. Reference: “2022/2023 General Rate Application,” Newfoundland Power, May 27,**
2 **2021, Volume 2, Report 6, Attachment 1, Page 16 of 28.**
3
4 **Please confirm if the ‘percentage of internal allocated labour’ on retirements is**
5 **included in Newfoundland Power’s capitalization percentage? If not, please re-state**
6 **Newfoundland Power’s capitalization percentage with all labour (capital**
7 **installations or retirements that have been capitalized) that has been capitalized**
8 **using an ‘allocation’ method that is currently excluded from Newfoundland Power’s**
9 **capitalization percentage.**
10
11 **A.** Newfoundland Power can confirm that, based on 2020 actuals, 36% of total labour was
12 charged to capital projects and 10% was charged to retirement projects and rechargeable
13 accounts.¹ The total of these amounts is 46%.

¹ Labour charged to retirement projects reflects the time associated with removing plant from service. Rechargeable accounts include time charged to the inventory and vehicle overhead accounts, which are primarily reallocated to capital projects. Of the 10%, approximately 6% relates to labour charged to retirement projects and 4% relates to labour charged to rechargeable accounts.