

1 Q. **2013 General Rate Application, Intercompany Transaction Costing Guidelines –**
2 **Exhibit 8**

3 Page 7, lines 17-19 - Provide details of the Bill Rates used for finance services each
4 year for 2007 to 2012. Show the amounts used to determine the Salary Cost
5 components (i.e. salaries, temporary salaries, other salary costs - retroactive pay)
6 and the mark-up components (i.e. fringe benefit costs, insurances, company costs
7 and leave) of the Bill Rates outlined in Appendix A.

8
9

10 A. The Bill Rate used by the Nalcor Group of Companies is based on the principle of
11 cost recovery as outlined in Exhibit 8. In 2007, the fully loaded cost was set at 42%.
12 This was increased in 2009 to 57% to be more reflective of actual fully loaded cost.
13 Since 2010¹, the salary component of the Bill Rate is calculated based on the job
14 rate (i.e., 100% of the salary scale) for the position being billed. The components
15 that make up the fully loaded cost are described in PUB-NLH-222.

16

17 Table 1 provides the Bill Rates used for financial services for those charging into
18 Hydro's regulated operations from 2007 to 2012.

¹ Prior to 2010, the salary component for the Bill Rate was calculated using an average rate for a "cluster" of pay groups which are reflective of a position's level in the organization. The change of methodology implemented in 2010 to use job rate (100% of the salary scale) for the position is more reflective of actual cost incurred.

Table 1

Position	%	Effective Date	HAY Grade Hourly	Bill Rate \$
Administrative Assistant Project Administrator (temporary 2012)	42%	4/1/2007	21.61	30.50
	57%	10/1/2009	22.48	35.00
	57%	1/1/2010	22.67	35.59
	57%	4/1/2010	23.36	36.67
	57%	11/1/2010	24.13	37.88
	57%	4/1/2011	25.10	39.41
	57%	4/1/2012	26.11	40.99
Assistant Corporate Controller	42%	4/1/2007	49.86	71.00
	57%	10/1/2009	53.42	84.00
	57%	1/1/2010	52.08	81.76
	57%	4/1/2010	53.64	84.22
	57%	11/1/2010	55.46	87.07
	57%	4/1/2011 ²	63.26	99.31
	57%	4/1/2012	70.77	111.11
Business Analyst Budget Analyst Financial Analyst Budget Accountant	42%	4/1/2007	30.74	43.50
	57%	10/1/2009	31.26	49.00
	57%	1/1/2010	34.82	54.67
	57%	4/1/2010	35.87	56.32
	57%	11/1/2010	37.08	58.21
	57%	4/1/2011	38.56	60.55
	57%	4/1/2012	40.11	62.97
Corporate Controller	42%	4/1/2007	41.62	59.00
	42%	6/17/2007	60.66	86.00
	57%	10/1/2009	63.70	100.00
	57%	1/1/2010	63.08	99.03
	57%	4/1/2010	64.97	102.01
	57%	11/1/2010	67.18	105.47
	57%	4/1/2011	69.87	109.70
	57%	4/1/2012	77.97	122.42
Corporate Treasurer	42%	1/1/2008	60.66	86.00
	57%	10/1/2009	63.70	100.00
	57%	1/1/2010	63.08	99.03
	57%	4/1/2010	64.97	102.01
	57%	11/1/2010	67.18	105.47
	57%	4/1/2011	69.87	109.70
Controller Energy Investments Team Lead Financial Performance & Controls	57%	1/1/2010	52.08	81.76
	57%	10/1/2010	53.64	84.22
	57%	11/1/2010	55.46	87.07
	57%	4/1/2011	57.69	90.58
	57%	4/1/2012	64.21	100.80

² The scope of this position changed in 2011 which resulted in a higher salary component.

Position	%	Effective Date	HAY Grade Hourly	Bill Rate \$
Divisional Controller, Electric Utilities	57%	10/1/2009	53.42	84.00
	57%	1/1/2010	52.08	81.76
	57%	4/1/2010 ³	58.82	92.35
	57%	11/1/2010	60.82	95.49
	57%	4/1/2011	63.26	99.31
	57%	4/1/2012	70.77	111.11
Assistant Treasurer	42%	5/20/2008	49.86	71.00
	57%	10/1/2009	53.42	84.00
	57%	1/1/2010	52.08	81.76
	57%	4/1/2010	53.64	84.22
	57%	11/1/2010	55.46	87.07
	57%	4/1/2011	57.69	90.58
	57%	4/1/2012	64.21	100.80
General Manager, Finance & Corporate Services	57%	4/1/2011	77.31	121.37
	57%	4/1/2012	85.92	134.90
Manager, Rates & Regulation	57%	4/1/2011	69.87	109.70
	57%	4/1/2012	77.97	122.42
Manager, Shared Services	57%	4/1/2011	50.64	79.51
	57%	8/1/2011 ⁴	52.67	82.69
	57%	4/1/2012	58.28	91.50
Senior Financial Accountant	42%	4/1/2007	30.74	43.50
	42%	8/1/2008	35.45	50.50
	57%	10/1/2009 ⁵	36.80	58.00
	57%	1/1/2010	37.33	58.61
	57%	4/1/2010	38.46	60.38
	57%	11/1/2010	39.77	62.44
	57%	4/1/2011	41.36	64.93
	57%	4/1/2012	43.56	68.40
Senior Financial Analyst	57%	4/1/2010	35.87	56.32
	57%	11/1/2010	37.08	58.21
	57%	4/1/2011	38.56	60.55
	57%	8/1/2011 ⁶	41.36	64.93
	57%	4/1/2012	43.56	68.40
Team Lead Cash Management	57%	4/1/2011	48.36	75.92
	57%	4/1/2012	52.90	83.05

³ The scope of this position changed in 2010 which resulted in a higher salary component.

⁴ The scope of this position changed in 2011 which resulted in a higher salary component.

⁵ The scope of this position changed in 2009 which resulted in a higher salary component.

⁶ The scope of this position changed in 2009 and 2011 which resulted in a higher salary component.