

Q. Reference: Volume I, Section 1.3.3, Figure 1-3, Issue Topic: Intercompany Transaction Costing Guidelines

Please provide in a table for 2024 to 2027 test year for executive labour costs: (i) total labour costs, (ii) labour cost directly assigned to regulated activities, (iii) labour cost directly assigned to non-regulated activities, (iv) labour cost remaining to be allocated, and (v) labour cost allocated to Hydro's regulated operations.

A. The revised Table 1 outlines labour costs within the Executive Functional Area business units.¹ Labour costs were revised to include salaries and benefits only, excluding vacation accruals and other adjustments. Costs allocated to Regulated Operations were reduced by \$0.1 million in both the 2026 Forecast and 2027 Test Year to reflect a revision to the executive labor recharge allocation.

Revised Table 1: Labour Costs – Executive Functional Area (\$ Millions)²

Description	2024 Actuals	2025 Actuals	2026 Forecast	2027 Test Year
Regulated Labour Costs ³	0.9	1.0	0.9	1.0
Non-Regulated Labour Costs ⁴	3.1	3.5	3.0	3.1
Total Labour Costs	4.0	4.4	4.0	4.1
Costs Allocated to Regulated Operations ⁵	1.1	0.9	0.6	0.6

¹ Includes executive, administrative, and legal staff.

² Numbers may not add due to rounding.

³ Costs for Full-Time Equivalents ("FTE") based in regulated Hydro.

⁴ Costs for FTEs based in non-regulated Hydro.

⁵ Includes labour charged from non-regulated to regulated, from regulated to non-regulated, and administration fees.