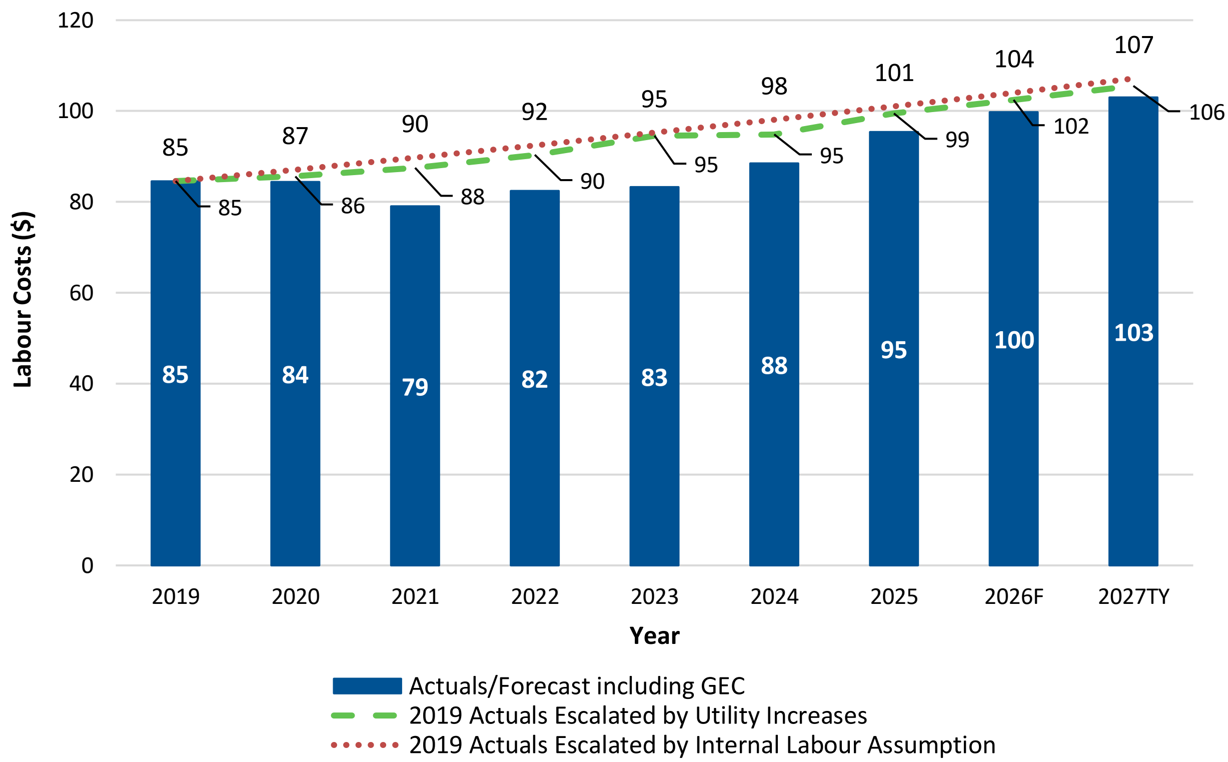
Q. **Reference: Volume I, Section 2.3, Charts 2-12 to 2-14, Issue Topic: Operating Efficiencies**

Please revise Chart 2-13 to show operating labour costs gross of deferred labour costs to the General Expenses Capitalized Deferral Account. Please also show the inflation-adjusted line from 2019 actual as opposed to from the 2019 test year and please use Hydro's internal inflation rate consistently throughout the entire period.

A. The revised Chart 2-13 shows the gross labour cost trend from 2019 Actuals through 2027 Test Year, including deferred costs to the General Expenses Capitalized ("GEC") Deferral Account. As shown in Chart 2-13, regardless of the labour inflator or the impact of deferred costs to the GEC Deferral Account, Newfoundland and Labrador Hydro's 2027 Test Year remains below 2019 levels on an inflationary basis.[1]

[1] 2019 Actuals Escalated by Utility Increases in Revised Chart 2-13 are inflated through 2025 based on rates per Statistics Canada's Average Weekly Earnings for Electric Power Generation, Transmission and Distribution Industries, Canada, All Employees, Excluding Overtime (Table 14-10-0203-01: Average weekly earnings by industry, monthly, unadjusted for seasonality). The 2019 Test Year labour costs are escalated consistent with internal labour inflation rates for 2026F and 2027 Test Year.



Revised Chart 2-13: 2019 Actual Labour Costs vs Inflation Including GEC ($ Millions)