

1 Q. **Reference: Supplemental Material, page 6, Labour Costs - Table 3-2**

2 Provide the calculation of the GEC to support the amounts included in Table 3-2 for 2025, 2026
3 Forecast and the 2027 Test Year.

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6 A. Please refer to PUB-NLH-024, Attachment 1 for the calculation of the General Expenses
7 Capitalized for 2025, 2026 Forecast and the 2027 Test Year. The allocation percentages were
8 approved in Board of Commissioners of Public Utilities Order No. P.U. 32(2025).

Newfoundland and Labrador Hydro
GEC¹ Calculation

Net Salaries² (a)

Area	2025 Actual	2026 Forecast	2027 Test Year
Engineering and Technology	4,901,677	4,355,931	4,352,236
Production Operations	26,079,557	29,809,581	30,730,487
Regulatory Affairs	2,097,064	2,199,700	2,154,413
Supply Chain	5,099,035	5,034,105	5,196,890
Transmission Operations	31,838,322	32,850,376	33,891,975
Information Systems	5,975,318	6,703,372	6,955,054
Human Resources	2,234,861	2,560,168	2,644,140
Finance	8,061,306	8,245,037	8,513,388
Major Projects ³	1,223,356	1,189,135	1,264,146

Approved Capitalized Overhead Percentage
(P.U 32(2025)) (b)

Area	2025 Actual	2026 Forecast	2027 Test Year
Regulatory Affairs	21%	21%	21%
Engineering and Technology	22%	22%	22%
Finance	10%	10%	10%
Production Operations	3%	3%	3%
Human Resources	10%	10%	10%
Transmission Operations	1%	1%	1%
Information Systems	10%	10%	10%
Supply Chain	16%	16%	16%
Major Projects	100%	100%	100%

GEC Calculation (a*b)

Area	2025 Actual	2026 Forecast	2027 Test Year
Regulatory Affairs	(440,383)	(461,937)	(452,427)
Engineering and Technology	(1,078,369)	(958,305)	(957,492)
Finance	(806,131)	(824,504)	(851,339)
Production Operations	(782,387)	(894,287)	(921,915)
Human Resources	(223,486)	(256,017)	(264,414)
Transmission Operations	(318,383)	(328,504)	(338,920)
Information Systems	(597,532)	(670,337)	(695,505)
Supply Chain	(815,846)	(805,457)	(831,502)
Major Projects	(1,223,356)	(1,189,135)	(1,264,146)
Total	(6,285,872)	(6,388,483)	(6,577,659)

¹ General Expenses Capitalized ("GEC").

² Net salaries is comprised of salary and benefits costs net of labour recharge and labour portion of intercompany administrative fees and excludes the GEC deferral.

³ Embedded contractors are used to fill certain roles in this department and are also considered incremental to capital program and included in Newfoundland and Labrador Hydro's GEC Deferral Account.