

Policy Name: Relocation

Policy Number: HR-2-13

Policy Monitor: Director, Human Resources

Policy Approver: Senior Management

Approval Date: April 24, 2013

Purpose

This policy is in place to assist employees requiring relocation or transfer. It is the intention to reimburse employees for all reasonable moving expenses incurred, and to assist them in the settlement in their new location.

Policy Statement

This policy applies to all indeterminate and term employees of NTPC that have been approved for, and require relocation or transfer from their current residence and workplace.

Definitions

Actual and Reasonable Expenses

- a) the actual expenses incurred and supported by proof of payment, such as receipts and vouchers; and
- b) the reasonable amount which the Corporation judges to be appropriate and justifiable, and based on experience of what such costs should be in the circumstances, and within the limits of the procedure.

Corporation Living Accommodation

Living accommodation owned, leased, rented or otherwise controllable as to occupancy by the Northwest Territories Power Corporation.

Dependant

Any person who lives with the employee or appointee and is either the employee's spouse, a person for whom the employee can claim a personal exemption under the *Income Tax Act*, or an employee's unmarried child, step-child, adopted child or legal ward who cannot be claimed as an income tax deduction but is in full-time attendance at school. A family member who is permanently residing with the employee, but who is precluded from qualifying as a dependant under the *Income Tax Act* because he receives pension, is also considered as a dependant under this procedure.

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Employee

A person employed by the Northwest Territories Power Corporation who is performing the continuing full time duties of a position.

Employer

The Northwest Territories Power Corporation.

Household Effects

The furniture, household equipment and personal effects of an employee or dependants, but do not include automobiles, livestock and pets.

Living Expenses

The Expenses incurred for food, overnight accommodation and incidentals such as laundry, valet service, gratuities, local telephone calls, local transportation, etc.

On-Highway Locations

Communities that have year-around road access, with the exceptions of spring break-up and winter freeze-over.

Off-Highway Locations

Communities that do not have year-around road access.

Place of Duty

The location of the official station or headquarters at or from which an employee ordinarily performs his duties, or to which an appointee is required to report for duty, and includes any area which, according to local custom, is within commuting distance of the place of duty.

Principle Residence

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A single family dwelling owned by the employee or dependant residing with the employee, and has been occupied continuously at the time of relocation was authorized, and is recognized as the employee's permanent address. Summer residence or other temporary or seasonal accommodation is excluded by this definition.

Relocate or Relocation

The authorized geographic move of an employee from one place of duty to another place of duty or the authorized move of an appointee from his place of residence to this first place of duty upon appointment to a position with the Northwest Territories Power Corporation.

Single-Family Dwelling

Living quarters containing the normal amenities necessary for continuous year round occupancy. The dwelling must be structurally separated and have an entrance from outside the building or from a common hall, lobby, vestibule, or stairway inside the building.

Spouse

Husband or wife.

Spouse, Common Law

A Common Law relationship exists when for a continuous period of at least one year, an employee has lived with that person, publicly represented that person to be their spouse, and lives and intends to continue to live with that person as if the person were their spouse.

Transfer

The movement of a person from one position to another position within the Northwest Territories Power Corporation.

Travelling Expenses

The transportation and living expenses incurred en route to the new place of duty.

Guidelines

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1.0 House-hunting Trip

Personnel Relocation Expenses

- 1.1 A house-hunting trip is not permitted for an employee who is to occupy employer provided living accommodation at his new place of duty.
- 1.2 An employee and spouse, before the employee relocates, may be authorized to make a house-hunting trip of up to five (5) days duration at the new place of duty (exclusive of a maximum of two (2) days total travel time between the old and new place of duty).
- 1.3 When a house-hunting trip is made, the following expenses are reimbursable:
 - a) return commercial transportation (normally, excursion airfare for employee and/or spouse) as well as the reasonable cost for local transportation between the residence and the terminal of the commercial carrier at both the old and new places of duty;
 - b) meals obtained en route (which are not provided by a commercial carrier) and at the new location, for employee and/or spouse, at the current meal rates specified by NTPC Travel Policy;
 - c) for each night where overnight accommodation is used, the actual and reasonable cost of commercial accommodation plus, for either the employee or spouse but not both, the current allowance for incidental expenses specified by the NTPC Travel Policy; or the amount allowed for privately arranged accommodation plus, for either the employee or spouse but not both, the current allowance for incidental expenses specified by NTPC Travel Policy;
 - d) car rental costs for the period of the house-hunting trip, or other transportation costs not exceeding the cost of renting a car, to permit the employee to confirm the accommodation found at the new place of duty.
 - e) reimbursement of child care costs upon receipts to a maximum of \$15.00 per day per child.

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2.0 Personal Relocation Expenses

- 2.1 On relocation, the journey is considered to commence on the calendar day on which the carrier accepts responsibility for household or personal effects shipped, or, if no effects are shipped until later, the calendar day on which the employee departs.
- 2.2 The Director, Human Resources decides on the mode of travel to the new location. The maximum amount reimbursable is limited to the economy air transportation (plus any necessary limousine and/or taxi services required, if air transportation is in fact utilized) for the employee and dependants. Receipts must be produced for all transportation and accommodation expenses. Meals and incidental expenses are reimbursable in accordance with NTPC Travel Policy. The employee is reimbursed for the most economical and direct route whether travelling by air or vehicle.

An employee may be reimbursed for the necessary en route expenses as approved by the Director, Human Resources when delays are encountered resulting from circumstances beyond the employee's control, (illness or unavoidable failure to make transportation connections).

2.3 Travel by Private Vehicle

Relocation of the employee and his dependants by private vehicle may be approved where it is feasible to do so.

The factors taken into account are:

- the family circumstances at the time of the move;
- the employee's reporting date at the new place of duty;
- the existence of an acceptable road network between the old and new places of duty; and
- the weather conditions that prevail at the time of the move.

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If travel by private vehicle is authorized, the employee is paid the lesser of the normally recognized distance of the journey (at the rate specified in NTPC travel procedure) or equivalent airfare. Meals, incidentals and mileage rates are specified in the NTPC Travel Policy.

NTPC is not liable for any accident or mishap.

Adequate vehicle insurance is the responsibility of the employee.

Any insurance claim is a matter between the employee and his insurance company. It is expected that trips of 850 km or less will be completed in one calendar day. For trips of more than 850 km, it is expected that an average of 850 km per calendar day will be travelled.

3.0 Interim Accommodation

- 3.1 Where an employee is providing his own accommodation and based on evidence of need for reasons beyond the employee's control, upon arrival at the new place of duty, the employee may be reimbursed for interim accommodation for self (and dependants if applicable), to a maximum of 19 days reduced by the number of days for which living expenses were paid on a house-hunting trip. The amounts paid shall be in accordance with the current rates as specified by NTPC Travel Policy.
- 3.2 Where the employer is providing the accommodation, and where the employee, upon arriving at the new place of duty, is unable to move into this accommodation, the employee may be reimbursed for the cost of interim accommodation for self (and dependants if applicable) in accordance with the current rates as specified by NTPC Travel Policy.
- 3.3 The employee will seek out and occupy self-contained interim accommodation as soon as possible on arrival at the new place of duty and vacate the higher priced hotel/motel type of accommodation.

The employee is responsible for obtaining proper and acceptable documentation on all reimbursable relocation expenses.

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4.0 Shipment of Household Effects

4.1 Except for certain restrictions, the Corporation will arrange for and pay the cost of packing, full insurance coverage, shipping, in-transit storage, and unpacking of personal and household effects from an employee's principal or ordinary residence of relocation. Expenses incurred for loading, unloading, cartage or freight charges for effects from other than the principal or ordinary residence, e.g. summer cottage, will not be paid.

a) The Corporation may authorize up to \$2000.00 towards moving costs of an employee's personal vehicle upon initial hire.

4.2 The Director, Human Resources may authorize the split-move of an employee and his/her dependant's household effects on initial hire or transfer. Split-moves will not be authorized on termination.

4.3 For employees relocating with families providing their own accommodation or for employees going into employer provided unfurnished accommodation, the maximum amount of household effects that may be shipped is 6,804 kg (15,000 lbs.). For single employees the maximum that may be shipped is 3,175 kg (7,000 lbs.).

4.4 Employees who will be occupying employer provided furnished accommodation, may ship:

- a) 908 kg (2200 lbs.) for the employee,
- b) 908 kg (2000 lbs.) for the first dependant, and
- c) 227 kg (500 lbs.) for each of the other dependants who are being relocated.

Weight restrictions include crating for shipping. Weights in excess of these items must receive prior approval from the Director, Human Resources.

4.5 Items which are not reimbursable are:

- a) items which, by law or tariff may not be moved with household effects;

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- b) goods requiring climatically controlled conditions;
 - c) building materials, patio stones, cement blocks, etc.
 - d) boats, trailers, aircraft, etc., or parts thereof;
 - e) livestock or pets;
 - f) fuel (solid or liquid)
 - g) portable buildings or sheds;
 - h) explosives;
 - i) farm and/or construction equipment or machinery; and
 - j) all items of a questionable nature not approved by the Director, Human Resources.
- 4.6 Incidental removal expenses will be paid, to a maximum of \$500 for employees with dependants and \$300 for employees without dependants. These monies are intended to cover such things as the disconnection/connection of utilities, removing or installing valance boxes, curtain rods, wall hooks, etc.
- 4.7 Expenses incurred for reasons such as the following are not reimbursable:
- a) extra pick-up and delivery of household effects;
 - b) extra insurance coverage;
 - c) access to storage charges;
 - d) cleaning, fumigating, or moth proofing;
 - e) repairing, refurnishing or alterations to a residence, furniture or effects.
- 4.8 When an employee's household effects at the new place of duty are required to

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go into temporary storage, such storage will be for a maximum of 60 days unless an extension has been approved by the Director, Human Resources.

- 4.9 When an employee is relocated to employer provided accommodation and in the opinion of the Director, Human Resources, the shipment of household effects to the new place of duty is not desirable, the Corporation pays for but is not responsible for:
- a) packing, crating and storage of the employee's household effects to the nearest place where adequate long term storage facilities are available;
 - b) storage of the household effects until they can be or might be repossessed by the employee or his dependants, but no longer than one month after the day an employee ceases to be employed, or five years after the day of assignment to an isolated post;
 - c) commercial insurance on the effects in storage for that period;
 - d) shipment, uncrating and unpacking to the employee's subsequent place of duty with NTPC, his former residence on termination or intended place of residence provided the cost is no greater than removal to the former residence.
- 4.10 Storage of a portion of an employee's effects should be considered only in exceptional circumstances. If the employee selects accommodation which contains only a portion of his household effects, any storage arrangement is his personal responsibility. Should the employee be assigned employer provided living accommodation which cannot accommodate his possessions, storage of the remainder is at the Corporation's expense.
- 4.11 When employees are not shipping household effects at Corporation expense or when the effects are sent by a slower method of transportation, the Director, Human Resources may authorize payment for up to 200 lbs. of excess luggage that is considered part of the overall shipment.
- 4.12 Any insurance claims pertaining to relocation is a matter between the employee and the carrier or his representative.

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4.13 (a) Employees, who were not hired locally, who leave a plant location because of resignation, retirement or termination for health reasons, or in the case of death of the employee, the dependants are entitled to receive removal expenses in accordance with the following schedule:

(i) Employees in off-highway locations:

<u>Length of Service</u>	<u>Entitlement</u>
less than 3 years	none
3 years but less than 4	50% of approved expenses
4 years but less than 5	60% of approved expenses
5 years but less than 6	70% of approved expenses
6 years but less than 7	80% of approved expenses
7 years but less than 8	90% of approved expenses
8 years and over	100% of approved expenses

(ii) Employees in on-highway locations:

<u>Length of Service</u>	<u>Entitlement</u>
less than 5 years	none
5 years but less than 6	50% of approved expenses
6 years but less than 7	60% of approved expenses
7 years but less than 8	70% of approved expenses
8 years but less than 9	80% of approved expenses
9 years but less than 10	90% of approved expenses
10 years and over	100% of approved expenses

4.14 If an employee has been paid relocation expenses under this policy and fails to complete the initial year of employment with the Corporation, other than for rejection on probation, the Director, Human Resources may authorize that part or all of the expenses paid in respect of relocation of the employee (and dependants if applicable) be recovered from the employee.

5.0 Disposal and/or Acquisition of Accommodation

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- 5.1 Where an employee, who is authorized to relocate, finds rental accommodation at the new place of duty, but in order to hold it, is required to pay rent before commencing at the new place of duty, the employee may be reimbursed up to a maximum of one month's rent for such accommodation provided that the Director, Human Resources is satisfied that the arrangement was reasonable and justifiable under the circumstances.
- 5.2 Where an employee's principal or ordinary residence is rented accommodation, and under the terms of a lease or other formal agreement, the employee is required to compensate the landlord in order to terminate the lease, an amount of up to three months' rent may be claimed by the employee and is reimbursable by the Corporation upon submission of appropriate documentation. Where payment of more than three month's rent is necessary to terminate the lease, the Director, Human Resources may approve payment if he/she is satisfied that the requirement was reasonable and justifiable under the circumstances.
- 5.3 Where an employee is required to pay duplicate rent or mortgage payments, at the new place of duty and at the point of hire, the Corporation upon submission of appropriate documentation will reimburse the employee the lessor of the two payments for a period of up to three months provided the employee is trying to dispose of his/her accommodation at the point of hire.
- 5.4 On transfer only, when an employee who is authorized to relocate sells a single family dwelling, he may be reimbursed any real estate fee charged by a real estate agent provided that:
- a) at the time of notification of relocation the dwelling was occupied by the employee as his principal or ordinary residence and was owned by him or his dependant residing with him;
 - b) the dwelling was on a lot of size appropriate to its location;
 - c) the dwelling was listed through a licensed realtor on or before the day the employee or his dependants departed for the new place of duty and was listed continuously until sold;

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- d) the fee charged is within the scale for multiple listing service in the area; and
 - e) there was as "Agreement of Purchase and Sale" which became a binding agreement within two years from the date the employee departed from the old place of duty.
 - f) the fees do not exceed \$12,000.
- 5.5 On initial hire, when an employee sells a single family dwelling, the Director, Human Resources may authorize that part or all of the real estate expenses be reimbursed to a maximum of \$20,000.
- 5.6 If additional land is sold as a parcel with a single family dwelling the employee may be reimbursed for that portion of the realtor's fee which would result from the sale of the dwelling together with a lot of appropriate size on which the dwelling together with a lot of appropriate size on which the dwelling is situated. A residential lot size is considered to be a maximum of one acre.
- 5.7 If the employee owns a multiple unit residential building within which each unit is self contained (e.g. a duplex or apartment block) and in which he occupies a unit, and he sells the building on relocation, he is reimbursed for only that portion of the real estate fee that his unit holds to the total number of units.
- 5.8 If the employee owns an income producing property (such as a small store or confectionary) in which he maintains his principal residence, and he sells the building on relocation he is reimbursed for only that portion of the real estate fee that his residence holds to the total.
- 5.9 The cost of exclusive and multiple listing services usually differ by one-half of a percent to two percent, therefore, when appropriate, (depending on length of notice and local market conditions) managers should consider encouraging the employee to list his/her dwelling on an exclusive listing for a period of up to a maximum of 45 days, with the multiple listing service being used if the dwelling is unsold at the end of that period.
- 5.10 Employees who have been laid-off and who were not hired locally will be

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reimbursed for real estate expenses to a maximum of \$12,000 provided they sell their single family dwelling within one year of notification of lay-off.

6.0 Legal Fees

- 6.1 On transfer only, when an employee who is authorized to relocate, makes a legal commitment to sell a single family dwelling at the old place of duty, and/or, to buy a single family dwelling at the new place of duty, and this commitment is made with two years of the date he/she departed from the old place of duty, he/she is reimbursed for the actual fees paid to a lawyer or notary provided that:
1. the dwelling sold is that referred to in paragraph 5.4 (a).
 2. the dwelling purchased is to be occupied by the employee and owned by him or by a dependant residing with him and the employee did not claim rent in advance of the move referred to in paragraph 5.1.
 3. the fees do not exceed \$1,000.00.
- 6.2 On initial hire, when an employee sells or buys a single family dwelling, the Director, Human Resources may authorize that part or all of the legal expenses be reimbursed to a maximum of \$1,000.
- 6.3 Where the employee sells a property of a type outlined in paragraph 5.6, 5.7, or 5.8 (for which only a portion of the real estate fee is reimbursed) and/or buys a property of similar type, the portion of the legal fee to be reimbursed is determined in the same manner as the reimbursement of a real estate fee.
- 6.4 In addition to the actual fee charged, there may be expenses of a legal nature associated with the sale of a dwelling, or more frequently, with the purchase of a dwelling. Such expenses could result for example from a sheriff's fee, land transfer tax or a transfer of deed. Where such expenses are necessary to acquire or provide good title to the property, they are reimbursable on presentation of evidence of payment.
- 6.5 Expenses related to financial arrangements resulting from the acquisition or disposal or permanent accommodation (e.g. mortgage finder's registration or adjustments on closing such municipal taxes) are not essential to establishing

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good title to the property. These are voluntary arrangements made by the employee and are not reimbursable. The Director, Human Resources may authorize the payment of mortgage discharge fees or penalties under reasonable and justifiable circumstances.

- 6.6 On transfer only, it is the intention for the Corporation to assist an employee on acquiring permanent accommodation at the new place of duty, but on one occasion only for each relocation. Therefore, rent in advance or legal fees on purchase, but not both, may be claimed at the new place of duty.
- 6.7 Legal fees incurred in approving the form and legality of a lease shall be reimbursed as incidental expenses.
- 6.8 Employees who have been laid-off and who were not hired locally, will be reimbursed for legal fees to a maximum of \$1,000 provided they sell their single family dwelling within one year of notification of lay-off.
- 7.0 The Corporation will coordinate relocation or removal assistance for an employee who is eligible to receive relocation or removal assistance from another employment source.

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December 17, 1982	0	New policy effective January 25, 1983
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April 7, 2008	3	Update
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