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P.U. 46(2004)

IN THE MATTER OF the
PUBLIC UTILITIES ACT,
R.S.N. 1990, c. P-47, as amended
("the *Act*")

AND

IN THE MATTER OF the application by
Newfoundland Power Inc. ("the Applicant")
for approval of capital expenditures supplemental
to the Applicant's approved 2004 capital budget,
to proceed with the construction and purchase of
certain improvements to its property pursuant
to Section 41(3) of the *Act*.

WHEREAS the Applicant is a corporation duly organized and existing under the laws of the
Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
also subject to the provisions of the *Electrical Power Control Act, 1994*; and

WHEREAS on May 4, 2004, following Newfoundland and Labrador Hydro's ("Hydro") 2003
General Rate Application, the Board issued Order No. P.U. 14 (2004), which among other things,
ordered Hydro to file, on or before July 31, 2004, an application for a demand and energy wholesale
purchased power rate to be implemented for the Applicant on January 1, 2005; and

1 **WHEREAS** to prepare for the implementation of the demand and energy rate as ordered, it was
2 necessary for the Applicant to consult with Hydro and immediately initiate preparations for demand
3 metering in the Applicant's generating plants; and

4
5 **WHEREAS** in order for the Applicant to meet the requirements of Hydro for information to support
6 billing under the proposed demand and energy rate it is necessary that the Applicant construct
7 certain improvements and additions to its property; and

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9 **WHEREAS** a report detailing the required changes to the Applicant's metering arrangements to
10 accommodate the implementation of the demand and energy rate was submitted as Schedule "A" to
11 the Application; and

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13 **WHEREAS** in Order No. P.U. 35 (2003) the Board approved the Applicant's 2003 Capital Budget
14 for Energy Supply in the amount of \$5,245,000; and

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16 **WHEREAS** the estimated cost of the proposed improvements and additions is \$100,000, and this
17 expenditure will require a corresponding increase to the Energy Supply budget category and will
18 increase the total approved capital budget for 2004 to \$52,309,000; and

19
20 **WHEREAS** the proposed expenditures are necessary for the Applicant to provide service and
21 facilities which are reasonably safe and adequate and just and reasonable as required pursuant to
22 Section 37 of the *Act*.

1 **IT IS THEREFORE ORDERED THAT:**

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3 1. Pursuant to Section 41(3) of the *Act*, the Board approves:

4 (a) the construction projects and capital purchases totalling \$100,000, as set forth in
5 Schedule “B” to the Application; and

6 (b) the revised 2004 capital budget totalling \$52,309,000 as set forth in Schedule “C” to
7 the Application.

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9 **DATED** at St. John’s, Newfoundland and Labrador, this 9th day of December 2004.

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Robert Noseworthy,
Chair & Chief Executive Officer.

Darlene Whalen, P.Eng.,
Vice-Chair.

G. Cheryl Blundon,
Board Secretary.