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4 **P. U. 14(2005)**

5 **IN THE MATTER OF** the *Public*
6 *Utilities Act*, (R.S.N.L. 1990,
7 Chapter P-47 (the “*Act*”), and

8 **IN THE MATTER OF** an Application
9 by Newfoundland and Labrador Hydro (“Hydro”)
10 for the approval of two additional proposed
11 capital projects for 2005:
12 (i) the replacement of the electronic control
13 system for the governor of one Cat Arm Unit;
14 and
15 (ii) the addition of disconnecting means to
16 600 Volt motor control centre branch feeders at
17 the Holyrood Thermal Plant pursuant to
18 Section 41 (3) of the *Act*.

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22 **WHEREAS** Hydro is a corporation continued and existing under the *Hydro Corporation Act*, is
23 a public utility within the meaning of the *Act* and is also subject to the provisions of the
24 *Electrical Power Control Act, 1994*; and

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26 **WHEREAS** Section 41(3) of the *Act* requires that a public utility shall not proceed with the
27 construction, purchase or lease of improvements or additions to its property where:

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29 (a) the cost of construction or purchase is in excess of \$50,000; or
30 (b) the cost of the lease is in excess of \$5,000 in a year of the lease

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32 without the prior approval of the Board of Commissioners of Public Utilities (the “Board”); and
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1 **WHEREAS** by Order No. P. U. 53(2004) the Board approved Hydro's 2005 capital expenditure
2 program with a total budgeted cost of \$42,431,000; and

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4 **WHEREAS** by Order No. P.U. 3(2005) the Board approved Hydro's application for the capital
5 expenditure of \$120,000 for preliminary engineering and related work associated with the
6 construction of a transmission interconnection to the Duck Pond mine site owned by Aur
7 Resources Inc., and the contribution of that amount by Aur Resources Inc. to Hydro; and

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9 **WHEREAS** by Order No. P.U. 11(2005) the Board approved Hydro's application for approval
10 of additional proposed capital expenditures of \$3,153,700 for (i) the Cat Arm Road
11 Rehabilitation; (ii) the Upper Salmon Power Canal Slope Stabilization; (iii) the replacement of a
12 failed diesel unit at Ramea; and (iv) a lease at Hopedale; and

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14 **WHEREAS** by Order No. P.U. 12(2005) the Board approved Hydro's application for approval
15 of an additional capital expenditures of \$5,705,500 for the construction of a transmission
16 interconnection of approximately 45 kilometers of the Duck Pond mine site owned by Aur
17 Resources Inc. and the contribution of that amount by Aur Resources Inc., to Hydro for the
18 construction of the aforesaid transmission interconnection; and

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20 **WHEREAS** on May 2, 2005 Hydro filed an application with the Board seeking approval of two
21 additional capital projects for 2005 being the replacement of the electronic control system for the
22 governor of one of the generating units at the Cat Arm Generating Station and the installation of
23 disconnecting means to 600 Volt motor control centre branch feeders at the Holyrood Thermal
24 Plant; and

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26 **WHEREAS** Hydro has provided to the Board capital proposal explanations for the electronic
27 control system for the governor for a generating unit at the Cat Arm Generating Station and the
28 installation of disconnecting means at the Holyrood Thermal Plant; and

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30 **WHEREAS** the Board has considered the application, the capital proposal explanations and is
31 satisfied that the proposed expenditures are prudent and necessary in order to provide reasonably
32 safe and adequate and just and reasonable service as required by the *Act*.

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IT IS THEREFORE ORDERED THAT:

1. Pursuant to Section 41(3) of the *Act*, additional 2005 capital expenditures are approved as follows:
 - (i) an amount of \$377,600 for the replacement of the electronic control system for the governor of one of the generating units at the Cat Arm Generating Station;
and
 - (ii) an amount of \$613,300 for the installation of disconnecting means to 600 Volt motor control centre branch feeders at the Holyrood Thermal Plant.
2. Hydro shall pay the expenses of the Board incurred in connection with this matter.

DATED at St. John’s, Newfoundland and Labrador, this 24th day of May 2005.

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

G. Fred Saunders,
Commissioner.

G. Cheryl Blundon,
Board Secretary.