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**P.U. 12 (2006)**

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

**AND**

**IN THE MATTER OF** an application  
by Newfoundland and Labrador Hydro  
 (“the Applicant”) for approval, pursuant to  
Section 41 of the Act, for the purchase of a  
parcel of land for transmission lines near  
the Hardwoods Terminal Station.

**WHEREAS** the Applicant is a corporation continued and existing under the *Hydro Corporation Act*,  
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** Paragraph 41 (3) of the *Act* requires that a public utility shall not proceed with the  
construction, purchase or lease of improvements or additions to its property where:

- (a) the cost of construction or purchase is in excess of \$50,000; or
- (b) the cost of the lease is in excess of \$5,000 in a year of the lease without the prior approval of  
the Board of Commissioners of Public Utilities (the “Board”); and

1   **WHEREAS** by Order No. P.U. 31 (2005) the Board approved the Applicant's proposed 2006 capital  
2   expenditures in the amount of \$42,636,000; and

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4   **WHEREAS** by Order No. P.U. 10 (2006) the Board approved an additional amount of capital  
5   spending by the Applicant of \$183,800 for the replacement of a failed diesel engine at Hydro's  
6   diesel generating plant at Charlottetown; and

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8   **WHEREAS** by Application dated March 31, 2006, the Applicant applied to the Board pursuant to  
9   section 41(3) of the *Act*, seeking approval of additional 2006 capital expenditures totaling \$174,000  
10   for the purchase of approximately 12.7 acres of land adjacent to the Hardwoods Terminal Station  
11   located in Paradise upon which land the Applicant has four high voltage (230 kV) transmission lines;  
12   and

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14   **WHEREAS** the Applicant provided as a Schedule to the application a capital proposal explanation  
15   for this land acquisition and also attached a report from a land appraiser to determine the fair value  
16   for the acquisition of the land; and

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18   **WHEREAS** the Board has considered the application, including the explanations contained in  
19   Schedule A and the appraisal report, and is satisfied that the proposed expenditure is prudent and  
20   necessary in order to provide reasonably safe and adequate and just and reasonable service as  
21   required by the *Act*.

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1 **IT IS THEREFORE ORDERED THAT:**

2 Pursuant to Section 41 (3) of the *Act*, the Board approves the additional 2006 expenditure of  
3 \$174,000 for the acquisition of approximately 12.7 acres of land adjacent to the Hardwoods  
4 Terminal Station located in Paradise.

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6 **Dated** at St. John's, Newfoundland and Labrador, this 27<sup>th</sup> day of April 2006.

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Robert Noseworthy  
Chair and Chief Executive Officer

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Darlene Whalen, P.Eng.  
Vice-Chair

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G. Cheryl Blundon  
Board Secretary

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