

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. P. U. 4(2010)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act*, RSNL 1994, Chapter E-5.1 (the
3 “*EPCA*”) and the *Public Utilities Act*, RSNL 1990,
4 Chapter P-47 (the “*Act*”), as amended;

5
6 **AND**

7
8 **IN THE MATTER OF** an Application by
9 Newfoundland Power Inc. (“Newfoundland
10 Power”) for approval to proceed with the
11 construction and purchase of certain
12 improvements and additions to its property
13 pursuant to Section 41(3) of the *Act*
14 (the “Application”).
15
16

17 **WHEREAS** Newfoundland Power is a corporation duly organized and existing under the laws of
18 the Province of Newfoundland and Labrador, is a public utility within the meaning of the *Act*, and is
19 also subject to the provisions of the *EPCA*; and
20

21 **WHEREAS** on December 22, 2009 Newfoundland Power filed the Application with the Board for
22 approval of the capital expenditure of \$330,500 associated with the extension of a distribution feeder
23 along Route 101 in Long Harbour to meet the temporary service requirements of Vale Inco
24 Newfoundland & Labrador Limited, a division of Vale Inco (the “Customer”); and
25

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

- 28
29 (a) the cost of the 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; and
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34 **WHEREAS** in Order No. P. U. 41(2009) the Board approved, *inter alia*, Newfoundland Power’s
35 2010 Capital Budget of \$64,679,000; and

1 **WHEREAS** the Customer plans to operate a temporary camp (the “Camp”) during the construction
2 of its hydrometallurgical processing plant at Long Harbour; and

3
4 **WHEREAS** the estimated expenditure for the Extension is \$330,500; and

5
6 **WHEREAS** the Customer will pay Newfoundland Power a Temporary Connection Fee of \$283,600
7 as calculated in accordance with Regulation 9(b) of Newfoundland Power’s *Rules and Regulations*,
8 which when combined with the value of the salvageable material will offset the capital expenditure
9 resulting in no rate base impacts from this proposed expenditure; and

10
11 **WHEREAS** the expenditures associated with the Extension are necessary for Newfoundland Power
12 to provide service and facilities which are reasonably safe and adequate and just and reasonable as
13 required pursuant to Section 37 of the *Act*; and

14
15 **WHEREAS** the Board is satisfied that it is reasonable and prudent to approve the proposed
16 expenditure for the Extension as proposed by Newfoundland Power.

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18 **IT IS THEREFORE ORDERED THAT:**

- 19
20 1. The proposed capital expenditure of \$330,500 to proceed with the construction of the
21 improvements and additions to Newfoundland Power’s distribution feeder along Route 101
22 in Long Harbour is approved.
23
24 2. Newfoundland Power shall pay all the expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador this 28th day of January 2010.

Darlene Whalen, P.Eng.
Vice-Chair

Dwanda Newman, LL.B.
Commissioner

James Oxford
Commissioner

Cheryl Blundon
Board Secretary