

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

AN ORDER OF THE BOARD

NO. P.U. 21(2014)

1 **IN THE MATTER OF** the *Electrical Power*
2 *Control Act, 1994*, SNL 1994, Chapter E-5.1
3 (the “*EPCA*”) and the *Public Utilities Act*,
4 RSNL 1990, Chapter P-47 (the “*Act*”), as
5 amended, and regulations thereunder; and
6

7 **IN THE MATTER OF** an application by
8 Newfoundland Power Inc. pursuant to Section
9 70 of the *Act* for approval of rate stabilization
10 and municipal tax adjustments for the period
11 July 1, 2014 to June 30, 2015 and a schedule
12 of rates, tolls and charges incorporating the rate
13 stabilization and municipal tax adjustments.
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16 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly
17 organized and existing under the laws of the Province of Newfoundland and Labrador, is a public
18 utility within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
19

20 **WHEREAS** on June 12, 2014 Newfoundland Power filed an application (the “Application”)
21 requesting approval of:
22

- 23 i) the Rate Stabilization Adjustment to be applied to customer rates for the period
24 July 1, 2014 to June 30, 2015;
- 25 ii) the Municipal Tax Adjustment Factor to be applied to customer rates for the
26 period July 1, 2014 to June 30, 2015; and
- 27 iii) customer rates to be effective on all electrical consumption on and after July 1,
28 2014; and
29

30 **WHEREAS** the Rate Stabilization Adjustment applied to customer rates is recalculated on July
31 1st of each year to reflect: i) the accumulated balance in Newfoundland Power’s Rate
32 Stabilization Account as of March 31st of the current year; and, ii) any changes in the rates to be
33 charged to Newfoundland Power by Newfoundland and Labrador Hydro (“Hydro”) for the
34 coming year as a result of the operation of Hydro’s Rate Stabilization Plan; and
35

36 **WHEREAS** in Order No. P.U. 19(2014) the Board approved, on an interim basis, changes to the
37 rates charged to Newfoundland Power by Hydro as of July 1, 2014 as a result of the operation of
38 Hydro’s Rate Stabilization Plan; and

1 **WHEREAS** the proposed Rate Stabilization Adjustment to be included in Newfoundland
2 Power's rates for the period July 1, 2014 to June 30, 2015 is 1.064 cents/kWh, replacing the Rate
3 Stabilization Adjustment of 0.839 cents/kWh approved in Order No. P.U. 23(2013); and
4

5 **WHEREAS** the Municipal Tax Adjustment Factor, which is adjusted each year on July 1st to
6 reflect Newfoundland Power's municipal tax costs for the year, is proposed to decrease to
7 1.02370 for the period of July 1, 2014 to June 30, 2015 from the current factor of 1.02377 which
8 was approved in Order No. P.U. 23(2013); and
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10 **WHEREAS** the Board has considered the Application and is satisfied that the proposed Rate
11 Stabilization Adjustment, the Municipal Tax Adjustment Factor, and the revised Schedule of
12 Rates, Tolls and Charges, should be approved as filed.
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16 **IT IS THEREFORE ORDERED THAT:**
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- 19 1. The Rate Stabilization Adjustment of 1.064 cents/kWh for the period July 1, 2014 to June
20 30, 2015, is approved.
21
- 22 2. The Municipal Tax Adjustment Factor of 1.02370 for the period July 1, 2014 to June 30,
23 2015, is approved.
24
- 25 3. Newfoundland Power's Schedule of Rates, Tolls and Charges, as set out in Schedule A to
26 this Order, to be effective on all electrical consumption on and after July 1, 2014, is
27 approved.
28
- 29 4. Newfoundland Power shall pay the expenses of the Board in connection with this
30 Application.

DATED at St. John's, Newfoundland and Labrador, this 19th day of June, 2014.



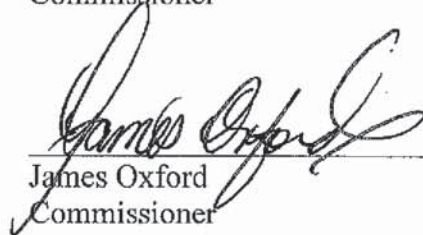
Andy Wells
Chair & Chief Executive Officer



Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



James Oxford
Commissioner



Cheryl Blundon
Board Secretary

**NEWFOUNDLAND POWER INC.
RATE #1.1
DOMESTIC SERVICE**

Availability:

For Service to a Domestic Unit or to buildings or facilities which are on the same Serviced Premises as a Domestic Unit and used by the same Customer exclusively for domestic or household purposes, whether such buildings or facilities are included on the same meter as the Domestic Unit or metered separately.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge:

Not Exceeding 200 Amp Service \$15.68 per month
Exceeding 200 Amp Service \$20.68 per month

Energy Charge:

All kilowatt-hours @11.178¢ per kWh

Minimum Monthly Charge:

Not Exceeding 200 Amp Service \$15.68 per month
Exceeding 200 Amp Service \$20.68 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
RATE #1.1S
DOMESTIC SEASONAL - OPTIONAL**

Availability:

Available upon request for Service to Customers served under Rate #1.1 Domestic Service who have a minimum of 12 months of uninterrupted billing history at their current Serviced Premises.

Rate:

The Energy Charges provided for in Rate #1.1 Domestic Service Rate shall apply, subject to the following adjustments:

Winter Season Premium Adjustment (Billing months of December through April):
All kilowatt-hours @ 0.953¢ per kWh

Non-Winter Season Credit Adjustment (Billing Months of May through November):
All kilowatt-hours @ (1.297)¢ per kWh

Special Conditions:

1. An application for Service under this rate option shall constitute a binding contract between the Customer and the Company with an initial term of 12 months commencing the day after the first meter reading date following the request by the Customer, and renewing automatically on the anniversary date thereof for successive 12-month terms.
2. To terminate participation on this rate option on the renewal date, the Customer must notify the Company either in advance of the renewal date or no later than 60 days after the anniversary/renewal date. When acceptable notice of termination is provided to the Company, the Customer's billing may require adjustment to reverse any seasonal adjustments applied to charges for consumption after the automatic renewal date.

**NEWFOUNDLAND POWER INC.
RATE #2.1
GENERAL SERVICE 0-100 kW (110 kVA)**

Availability:

For Service (excluding Domestic Service) where the maximum demand occurring in the 12 months ending with the current month is less than 100 kilowatts (110 kilovolt-amperes).

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$21.91 per month

Demand Charge:

\$8.68 per kW of billing demand in the months of December, January, February and March and \$6.18 per kW in all other months. The billing demand shall be the maximum demand registered on the meter in the current month in excess of 10 kW.

Energy Charge:

Energy Charge:

First 3,500 kilowatt-hours @ 11.161¢ per kWh
All excess kilowatt-hours @ 8.570¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 17.738 cents per kWh plus the Basic Customer Charge, but not less than the Minimum Monthly Charge.

Minimum Monthly Charge:

Single Phase \$21.91 per month
Three Phase \$35.99 per month

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular Regulation 7 (n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

NEWFOUNDLAND POWER INC.
RATE #2.3
GENERAL SERVICE 110 kVA (100 kW) - 1000 kVA

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 110 kilovolt-amperes (100 kilowatts) or greater but less than 1000 kilovolt-amperes.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$50.02 per month

Demand Charge:

\$7.54 per kVA of billing demand in the months of December, January, February and March and \$5.04 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 150 kilowatt-hours per kVA of billing demand,
up to a maximum of 50,000 kilowatt-hours @ 9.882¢ per kWh
All excess kilowatt-hours @ 8.111¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 17.738 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
RATE #2.4
GENERAL SERVICE 1000 kVA AND OVER**

Availability:

For Service where the maximum demand occurring in the 12 months ending with the current month is 1000 kilovolt-amperes or greater.

Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

Basic Customer Charge: \$85.03 per month

Demand Charge:

\$7.12 per kVA of billing demand in the months of December, January, February and March and \$4.62 per kVA in all other months. The billing demand shall be the maximum demand registered on the meter in the current month.

Energy Charge:

First 75,000 kilowatt-hours @ 9.359¢ per kWh
All excess kilowatt-hours @ 7.878¢ per kWh

Maximum Monthly Charge:

The Maximum Monthly Charge shall be 17.738 cents per kWh plus the Basic Customer Charge.

Discount:

A discount of 1.5% of the amount of the current month's bill will be allowed if the bill is paid within 10 days after it is issued.

General:

Details regarding metering [in particular, Regulation 7(n)], transformation [in particular, Regulation 9(k)], and other conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
 RATE #4.1
 STREET AND AREA LIGHTING SERVICE**

Availability:

For Street and Area Lighting Service where the electricity is supplied by the Company and all fixtures, wiring and controls are provided, owned and maintained by the Company.

Monthly Rate: (Includes Municipal Tax and Rate Stabilization Adjustments)

	Sentinel/Standard	Post Top
High Pressure Sodium		
100W (8,600 lumens)	\$16.92	\$18.32
150W (14,400 lumens)	21.46	-
250W (23,200 lumens)	30.59	-
400W (45,000 lumens)	42.35	-
Mercury Vapour		
175W (7,000 lumens)	\$16.92	\$18.32
250W (9,400 lumens)	21.46	-
400W (17,200 lumens)	30.59	-
Special poles used exclusively for lighting service**		
Wood	\$7.23	
30' Concrete or Metal, direct buried	10.45	
45' Concrete or Metal, direct buried	14.72	
25' Concrete or Metal, Post Top, direct buried	7.98	
Underground Wiring (per run)**		
All sizes and types of fixtures	\$12.79	

** Where a pole or underground wiring run serves two fixtures paid for by different parties, the above rates for such poles and underground wiring may be shared equally between the two parties.

General:

Details regarding conditions of service are provided in the Rules and Regulations. **This rate does not include the Harmonized Sales Tax (HST) which applies to electricity bills.**

**NEWFOUNDLAND POWER INC.
CURTAILABLE SERVICE OPTION
(for Rates #2.3 and #2.4 only)**

Availability:

For Customers billed on Rate #2.3 or #2.4 that can reduce their demand ("Curtail") by between 300 kW (330 kVA) and 5000 kW (5500 kVA) upon request by the Company during the Winter Peak Period. The Winter Peak Period is between 8 a.m. and 9 p.m. daily during the calendar months of December, January, February and March. The ability of a Customer to Curtail must be demonstrated to the Company's satisfaction prior to the Customer's availing of this rate option.

Credit for Curtailing:

If the Customer Curtails as requested for the duration of a Winter, the Company shall credit to the Customer's account the Curtailment Credit during May billing immediately following that Winter. The Curtailment Credit shall be determined by one of the following options:

Option 1:

The Customer will contract to reduce demand by a specific amount during Curtailment periods (the "Contracted Demand Reduction"). The Curtailment Credit for Option 1 is determined as follows:

Curtailment Credit = Contracted Demand Reduction x \$29 per kVA

Option 2:

The Customer will contract to reduce demand to a Firm Demand level which the Customer's maximum demand must not exceed during a Curtailment period. The Curtailment Credit for Option 2 is determined as follows:

Maximum Demand Curtailed = (Maximum Winter Demand - Firm Demand)

Peak Period Load Factor =
$$\frac{\text{kWh usage during Peak Period}}{(\text{Maximum Demand during Peak Period} \times 1573 \text{ hours})}$$

Curtailment Credit = ((Maximum Demand Curtailed x 50%) + (Maximum Demand Curtailed x 50% x Peak Period Load Factor)) x \$29 per kVA

Limitations on Requests to Curtail:

Curtailment periods will:

1. Not exceed 6 hours duration for any one occurrence.
2. Not be requested to start within 2 hours of the expiration of a prior Curtailment period.
3. Not exceed 100 hours duration in total during a winter period.

The Company shall request the Customer to Curtail at least 1 hour prior to the commencement of the Curtailment period.

**NEWFOUNDLAND POWER INC.
CURTAILABLE SERVICE OPTION
(for Rates #2.3 and #2.4 only)**

Failure to Curtail:

Failure to Curtail under Option 1 occurs when a Customer does not reduce its demand by the Contracted Demand Reduction for the duration of a Curtailment period. Failure to Curtail under Option 2 occurs when a Customer does not reduce its demand to the Firm Demand level or below for the duration of a Curtailment period.

The Curtailment Credit will be reduced by 50% as a result of the first failure to Curtail during a Winter. For each additional failure to Curtail, the Curtailment Credit will be reduced by a further 25% of the Curtailment Credit. If the Customer fails to Curtail three times during a Winter, the Customer forfeits 100% of the Curtailment Credit and the Customer will no longer be entitled to service under the Curtailable Service Option.

Notwithstanding the previous paragraph, no Curtailment Credit will be provided if the number of failures to Curtail equals the number of Curtailment requests.

Termination/Modification:

The Company requires six months written notice of the Customer's intention to either discontinue Curtailable Service Option or to modify the Contracted Demand Reduction or Firm Demand level.

General:

Services billed on this Service Option will have approved load monitoring equipment installed. For a customer that Curtails by using its own generation in parallel with the Company's electrical system, all Company interconnection guidelines will apply, and the Company has the option of monitoring the output of the Customer's generation. All costs associated with equipment required to monitor the Customer's generation will be charged to the Customer's account.