

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

**AN ORDER OF THE BOARD**

**NO. P.U. 31(2015)**

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

7 **IN THE MATTER OF** an application by  
8 Newfoundland and Labrador Hydro for  
9 approval to complete an internal assessment  
10 and repairs of transformer VBN T1 at the  
11 Voisey's Bay Nickel Terminal Station,  
12 pursuant to Section 41 of the *Act*.  
13  
14

15 **WHEREAS** Newfoundland and Labrador Hydro ("Hydro") is a corporation continued and  
16 existing under the *Hydro Corporation Act, 2007*, is a public utility within the meaning of the  
17 *Act*, and is also subject to the provisions of the *EPCA*; and  
18

19 **WHEREAS** Subsection 41(3) of the *Act* requires that a public utility not proceed with the  
20 construction, purchase or lease of improvements or additions to its property where:  
21

- 22 a) the cost of construction or purchase is in excess of \$50,000; or  
23 b) the cost of the lease is in excess of \$5,000 in a year of the lease,  
24

25 without prior approval of the Board; and  
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27 **WHEREAS** in Order No. P.U. 50(2014) the Board approved Hydro's 2015 Capital Budget in  
28 the amount of \$76,832,900; and  
29

30 **WHEREAS** the Board approved supplementary 2015 capital expenditures:  
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- 32 (i) in Order No. P.U. 24(2015) in the amount of \$1,536,300 to purchase critical spares  
33 for Hydro's Generating Stations;  
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35 (ii) in Order No. P.U. 27(2015) in the amount of \$756,200 to replace the rectifier  
36 transformers on Units 1 and 2 at the Holyrood Thermal Generating Station; and  
37  
38 (iii) in Order No. PU. 29(2015) in the amount of \$1,249,300 to refurbish the Hardwoods  
39 gas turbine engine serial number 202224; and

1 **WHEREAS** on October 21, 2015 Hydro applied to the Board for approval to complete an  
2 internal assessment and repair of transformer VBN T1 at the Voisey's Bay Nickel Terminal  
3 Station (the "Application"); and  
4

5 **WHEREAS** the Application states that transformer VBN T1 is experiencing low level gassing  
6 which is indicative of a newly formed fault condition and has been removed from service; and  
7

8 **WHEREAS** the Original Equipment Manufacturer has recommended a major internal  
9 assessment of transformer VBN T1 be completed to determine the cause and nature of the  
10 issue; and  
11

12 **WHEREAS** the Application was copied to: Newfoundland Power Inc.; the Consumer  
13 Advocate, Mr. Thomas Johnson; Corner Brook Pulp and Paper Limited, NARL Refining  
14 Limited Partnership and Teck Resources Limited; Vale Newfoundland and Labrador Limited;  
15 and Praxair Canada Inc.; and  
16

17 **WHEREAS** Vale Newfoundland and Labrador Limited issued Requests for Information which  
18 were answered by Hydro on November 3, 2015; and  
19

20 **WHEREAS** the Board did not receive any comments on the Application; and  
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22 **WHEREAS** the Board is satisfied that the 2015 supplemental capital expenditure for approval  
23 to complete an internal assessment and repair of transformer VBN T1 at the Voisey's Bay  
24 Nickel Terminal Station is necessary to allow Hydro to provide service and facilities which are  
25 reasonably safe and adequate and just and reasonable.  
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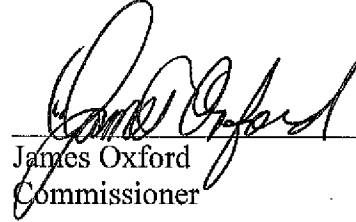
27  
28 **IT IS THEREFORE ORDERED THAT:**  
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- 30 1. The proposed capital expenditure of \$500,100 for the internal assessment and repair of  
31 transformer VBN T1 at the Voisey's Bay Nickel Terminal Station is approved.  
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33 2. Hydro shall pay all expenses of the Board arising from this Application.

DATED at St. John's, Newfoundland and Labrador, this 17<sup>th</sup> day of November, 2015.



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



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James Oxford  
Commissioner



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Cheryl Blandon  
Board Secretary