

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

AN ORDER OF THE BOARD

NO. P.U. 11(2018)

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 Power Inc. for approval of
9 the balance in the Weather Normalization
10 Reserve as of December 31, 2017 pursuant
11 to sections 69(3) and 78 of the *Act*.
12
13

14 **WHEREAS** Newfoundland Power Inc. (“Newfoundland Power”) is a corporation duly organized
15 and existing under the laws of the Province of Newfoundland and Labrador, is a public utility
16 within the meaning of the *Act*, and is also subject to the provisions of the *EPCA*; and
17

18 **WHEREAS** by Order No. P.U. 1(1974) the Board ordered that Newfoundland Power create a
19 Weather Normalization Reserve to normalize purchased power costs for variations in hydroelectric
20 production caused by varying levels of precipitation, as well as any variations in kilowatt hours sold
21 and purchased caused by varying temperatures and wind speed; and
22

23 **WHEREAS** by Order No. P.U. 13(2013) the Board approved Section II(8) of the Rate Stabilization
24 Clause which requires that on March 31st of each year the Rate Stabilization account be increased
25 (reduced) by the balance in the Weather Normalization Reserve accrued in the previous year; and
26

27 **WHEREAS** Newfoundland Power has reported to the Board that its Weather Normalization
28 Reserve as of December 31, 2017 has a negative balance of \$4,770,830; and
29

30 **WHEREAS** the Board is satisfied that the Weather Normalization Reserve as of December 31,
31 2017 properly reflects the normalization of variations in revenue and expenses caused by
32 meteorological conditions during 2017.

IT IS THEREFORE ORDERED THAT:

- 1
2 1. Newfoundland Power's Weather Normalization Reserve of a negative balance of \$4,770,830 as
3 of December 31, 2017 is approved.
4
5 2. Newfoundland Power shall pay all costs and expenses of the Board in connection with this
6 Application.

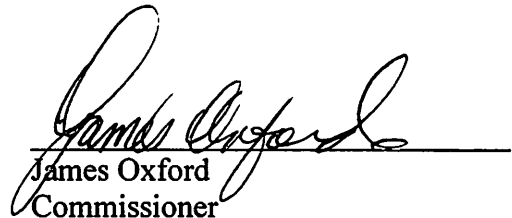
DATED at St. John's, Newfoundland and Labrador, this 3rd day of April 2018.



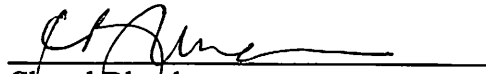
Darlene Whalen, P. Eng.
Chair and CEO



Dwanda Newman, LL.B.
Vice-Chair



James Oxford
Commissioner



Cheryl Blundon
Board Secretary